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HOUSE OF COMMONS

Monday, April 2, 1990

The House met at 1 p.m.

Prayers

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

OCCUPATIONAL HEALTH AND SAFETY

FUNDING

The House resumed from Monday, March 19, consideration of the motion Mr. Keyes:

That, in the opinion of this House, the government should consider the advisability of reinstating funding for the Canadian Centre for Occupational Health and Safety.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, I rise today in this debate because I believe the government is doing the right thing in controlling our spending to reduce the national deficit. Contributions from all participating parties in the country are needed in this very important and vital exercise.

There is really nothing new about the principle of charging a nominal fee for exchanged information. This is a practice that has been carried on for ages within various government departments and agencies. It is not at all unusual for one department to charge for the services of another department.

Indeed, the proceedings in this House as produced in *Hansard*, the draft bills of legislation passed by the House, *The Canada Gazette* and other government publications are all produced at a cost and some of these costs are recovered by the users.

Therefore the products of the Canadian Centre for Occupational Health and Safety are, without question, valuable and essential to all of Canada and are definitely in demand by other nations. There is obviously a need for these products, and that is why we are witnessing this debate in the House.

We agree that the information on occupational health and safety is of value to all the partners and to their constituents, whether they be individuals and unions concerned about occupational hazards, employers requiring information on toxic chemicals, governments and standard setting bodies developing or interpreting legislation, or other parties that might be interested in information on environmental pollutants, for example.

All this costs money to produce. It costs money to produce, package and distribute information products, and that is an unavoidable fact of life. In the past, however, these costs have been borne principally by only one of the partners in the arrangement. That creates a very stressful burden and an unfair situation. Therefore, if all the other partners are interested in continuing to provide these information services to Canadians, then they must devote some serious time and consideration to devising ways and means of paying for them and creating a more equitable situation.

This government is dedicated to building a constructive partnership among labour, business and governments. We believe that process will be ever more important as Canadians strive to address the challenges brought on by rapidly changing economic and social conditions that we are going through both at home and abroad.

At every opportunity we promote and facilitate active and vibrant partnerships among labour, business and governments as we develop public policy and pursue economic development. Together in this partnership we can and we must move forward in addressing the economic and social challenges that we share. However, shared responsibility and accountability must go hand in hand with that co-operative effort and that co-operative approach to decision making on national issues.

Since its creation in 1978 the Canadian Centre for Occupational Health and Safety has been provided with financial support to get itself established and to develop a variety of useful information services on matters of occupational health and safety. The federal government

is only one of the many partners that share in the control of and in the direction that the centre takes.

The other partners are also the principal beneficiaries of the products of the centre. The government, by this decision, is simply asking the other partners to accept a more equitable portion of the funding responsibility for the products that the centre has produced. They will be paying more only for the packaging and the distribution costs of the products they use. I do not think that is unreasonable; it is quite fair.

• (1310)

In the past the system has not been quite so fair. The federal government's jurisdiction in occupational health and safety embraces only one-tenth of the Canadian labour force or approximately one million workers, yet the federal government pays the majority of the centre's funding.

By contrast, the total membership of the Canadian Labour Congress is more than double the number of people in the federal jurisdiction. It seems to me that it is time that we found a more equitable cost sharing system.

The Canadian Centre for Occupational Health and Safety has provided workers, unions, employers, governments and individuals alike with the necessary tools to protect their immediate health and safety needs, but we must remember that in turn they have been provided with the economic tools necessary to gain efficiency in the Canadian market-place. We agree and we recognize this point. We also agree that it is important that individuals, unions and small businesses have ready access to inexpensive information as it pertains to health and safety.

The Canadian Centre for Occupational Health and Safety has been the focal point for tripartite co-operation, innovation and effective information sharing since its inception in 1978. We agree that it is an essential and unique component of a national information system developed by Canadians to protect the lives and the health of workers and to sustain a viable economy through partnership.

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, I am grateful for the opportunity to speak today on the motion placed before this House by my colleague, the hon. member for Hamilton West.

Like my colleague I am very concerned about the decision of the federal government to withdraw funding for the Canadian Centre for Occupational Health and Safety. The government should abandon this move and indicate as soon as possible that it will continue to provide the centre with federal funding.

There is no question as to the importance and value of the centre. It is a vital component in the protection of Canadian workers. The centre is renowned for the quality and magnitude of information and services it has on matters which relate to occupational health and safety in Canada and internationally.

The mandate of the centre involves the promotion of health and safety in the workplace and considers both the physical and mental health of workers. The centre has provided services which, as everyone will agree, have played an integral role in making the Canadian workplace safer and the economy more productive.

By having this excellent centre workers are that much closer to avoiding the far too many accidents which render them unable to work or worse. The occurrence of serious injury or death from job related accidents must be prevented. The centre has endeavoured, with recognizable success, to do just that since its inception in 1978.

Given the important role the centre has played, it is truly unconscionable that the federal government has decided to withdraw all of its funding to the centre by April 1991. The government provides the entire core budget funding for the centre. The total withdrawal of these funds will certainly have a negative impact upon the centre and its operations.

The money which has been given to the centre in the last 12 years by the federal government was money well spent. The centre has an annual budget usually between $8 million and $12 million. This works out to about $1 per worker per year. This is not too much if one considers that the lives and the working conditions of Canadians are at stake here.

The Minister of Labour stated in this House on April 28 of last year: "Work accidents entail direct and indirect costs of about $17.5 billion a year". The minister went on to say that this is, in his own words, "a very heavy burden

on this nation". I agree it is a very heavy burden, yet this minister and his government have decided to withdraw the main source of funding for the centre completely. They want to turn it into a full cost recovery enterprise with no assistance at all from the federal government.

The government has informed the centre that it is to recover 15 per cent of its budget in 1989–90, 50 per cent in 1990–91, and 100 per cent in 1991–92. This plan was devised by the government unilaterally, without any consultation with the centre. The government is clearly showing its true colours here. It is are not worried about the centre and it is not overly concerned with occupational health and safety. Instead, its mind is focused on the money it will save.

The government must realize that it cannot address the deficit it has managed to accumulate due to its economic mismanagement with the money it gets from cutting the centre's funding. Far from it.

The Canadian Centre for Occupational Health and Safety has earned its keep. It is no coincidence that since the centre has been in existence, the work accident rate in Canada has gone from 1 in 8 to 1 in 10. The centre can be attributed to having had an impact in the reduction of this rate. The centre has consistently and effectively provided a wide range of up to date, preventive accident and health information and it has paid off.

The services provided by the centre have come to be relied upon by both labour and management groups across the country. As well, a multitude of health and safety organizations, educational institutions, professional groups and all levels of government have benefited from using the centre's resources. We have a need in Canada for such a centre, a centre devoted to the health and safety of Canadian workers.

The Minister of Labour has also pointed out in this House that in 1987, 894 Canadians died at work and 25 million person days were lost due to work accidents and occupational injuries or diseases. We should remember as well the $17.5 billion which we have to pay as a result.

Why then does the centre have to lose all of its financial support from the federal government and go it alone? Why does the centre's research and operations have to be put in jeopardy along with the welfare of the Canadian worker? Does the government actually believe that the money could be best spent elsewhere or used in vain attempts at deficit reduction? No, the total withdrawal of funding will only serve to inhibit the centre in maintaining its respected and valued contribution to occupational health and safety in Canada.

On February 5, when this motion was being debated in the House, the Parliamentary Secretary to the Minister of Labour stated, and I quote:

> As a result of receiving government funding only—although it had a good reputation and did a good job—I think that a lot of people did not know what the Canadian Centre for Occupational Health and Safety did. There are a lot of school boards and fire departments and so on which did not know.

The hon. member went on to say:

> Were we really spreading the word? As a result of not having to worry about where the funding comes from there may have been a less than an adequate job done on that.

I can tell the hon. member that in my riding of Stormont—Dundas, the Stormont—Dundas—Glengarry public school board is well aware of the centre and its work. In fact, the legislative committee of this school board believes that the centre has "Proved to be a valuable resource tool for educators both for educational purposes and for the implementation of the provisions of various acts". The board also supports the Metropolitan Toronto School Board in its efforts to have the centre's federal funding maintained.

In a letter to the Minister of Labour, dated March 7, 1990, the Stormont—Dundas and Glengarry County Board of Education stated: "This board of education has relied upon information provided through the centre and was distressed to note the withdrawal of funding by the federal government and the goal of effecting 100 per cent of cost recovery by 1991–1992". The board goes on to state: "We urge you and your colleagues to look further at funding for the centre and its activities in light of legislation such as the Workplace Hazardous Materials Information System, which legislation leads directly to a further rise in the real number of enquiries for all categories of users of the centre".

• (1320)

The board concludes its letter by stating that it: "Urges the federal government to reconsider its position relative to funding of the centre".

With regard to the parliamentary secretary's second observation, I believe that the word has indeed been spread about. The centre is well known throughout Canada and the rest of the world. A number of the centre's users are themselves located outside of Canada. It has a well respected reputation both in Europe and in the United States.

The Parliamentary Secretary to the Minister of Labour is wrong to suggest that as the centre did not have to worry about where its funding was coming from, it may have done a less than adequate job of spreading the word. This is simply not an accurate assessment.

I do think that the real concern now is that without secured funding the centre may have to worry a great deal about its fiscal state rather than devote its full attention to the goals of preserving the lives of workers. This would be a truly tragic event but it need not be the case.

In conclusion, the government must realize that the most prudent course of action to pursue would be to continue providing the centre with full funding. In the final analysis, the health and safety of Canadian workers and the high costs both in human and fiscal terms far outweigh the amount of funding the centre currently receives from the federal government.

[*Translation*]

Mr. Allan Koury (Hochelaga—Maisonneuve): Madam Speaker, hon. members, I wish to assure you that the CCOHS will continue to be a useful, impartial and financially viable source of information on occupational health and safety in Canada. I also wish to tell hon. members that the government's decision concerning CCOHS funding is not an attempt to privatize the Centre, because that would destroy this unique three-way partnership and the unbiased nature of what the CCOHS produces.

The purpose of the government's decision is quite simply to help the CCOHS be more self-financing by recovering a larger share of its production costs.

Further to the statement by the hon. member for Hamilton West (Mr. Keyes), I would like to say clearly that no one is suggesting having workers pay fees for this essential information on occupational health and safety or charging for information requested over the toll-free telephone lines. The CCOHS will continue to apply its policy of free access to information. The cost recovery principle simply means getting back the costs of editing, processing and distributing the information, and not the cost of the information itself.

It is therefore essential that individuals, unions and small businesses have easy access to inexpensive information on what must be done to protect their health and safety.

The centre has been a focus for tripartite co-operation, innovation and efficient information sharing since it was established in 1978. It is an essential and unique component of the national information system Canadians have developed to protect the lives and safety of workers and support a strong economy based on partnership.

Because of demographic changes and the resulting shortage of new workers and skilled workers in certain areas, some corporations are becoming increasingly competitive in their bid to attract the best workers, emphasizing factors such as high-quality workplaces and health and safety aspects. Social changes, including a change in attitudes to the environment, have made employers more aware of their social responsibilities, including those relating to the health and well-being of their employees.

I am convinced that the time and energy spent on trying to change the government's decision and condemning the phasing-out of the centre should be directed towards finding constructive ways of financing the centre.

In view of the present state of the economy in this country, it is imperative to reduce the deficit and increase productivity and efficiency. The latter is also necessary if we are to compete effectively on international markets. In fact, all levels of government in this country have found it necessary to cut back on a number of services and programs.

The April 1989 cabinet decision on the budget was that the centre should become financially more self-sufficient over the next three years for the information services provided to the users of the centre. This decision was based on the fiscal restraints confronting the govern-

ment but also on the basis of the apparent financial maturity on the centre. Since a few years ago, the centre has been recovering some of the costs of producing its information products. The 1989 decision meant that the centre should broaden its base of coast recovery. The costs are those associated with the costs of packaging and distributing these information products that are meant to be recovered, not the costs of information itself.

I may remind hon. members that cost recovery is not a new principle, nor is it confined to the federal government. It is a matter of good business practice within the public sector.

Of course, someone has to pay for the cost of producing, packaging and distributing the centre's products. However, one partner has been paying the lion's share of these costs, which are considerable. Consequently, if the other partners wish to continue to provide this information service, they will have seriously to consider ways of paying for that service.

As you know, Madam Speaker, the government is committed to establishing a constructive partnership with the labour movement and the business community, a process which will become more important than ever as Canadians strive to face up to the challenges of rapid social and economic changes in Canada and abroad. We are taking every opportunity to promote and favour an active and dynamic partnership between labour, business and the state in managing public funds and pursuing economic development.

Together with our partners, we can and must deal with common economic and social problems. However, responsibility and accountability go hand in hand with co-operation in national decision-making.

This government intends to establish the CCOHS on a solid footing while strengthening the impartiality and distinctiveness of its activities.

The provision of information services essential to Canadian workers, which is the main objective of the CCOHS mandate, would not be threatened by the commercial aspects of other operations.

The corporate plan confirms the possibility of ensuring the Centre's financial self-sufficiency within a few years, as the government has decided.

Madam Speaker, all economic sectors must participate in the national effort and join forces to reduce the deficit.

In the last few years, our government has taken often difficult and sometimes unpopular measures to eliminate unnecessary expenses and adopted a more efficient method of managing public funds. We must all adjust our priorities and allocate scarce resources in the most efficient manner possible. To a large extent, this government has succeeded in limiting public expenditures and will continue to do so.

• (1330)

[*English*]

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I rise to support the hon. member for Hamilton West in his private member's motion calling for the reinstatement of funding for the Canadian Centre for Occupational Health and Safety.

When the centre was developed this funding was established as tripartite funding. I think it is important that we remember that the principle for this, just as the principle for unemployment insurance was designed to be a tripartite principle, was to ensure that all of the players were involved in both making decisions and paying for the process.

There are 26,000 inquiries a year made at this centre. That means that this centre is highly regarded in international circles, in terms of the service that it offers to Canada and to other countries in occupational health and safety. The government, having withdrawn the funding and suggesting that, in fact, this centre begin to charge fees for services, makes it the only health care agency and institution in this country that would be operating on the principle of user fees.

Imagine working with other international and national centres for occupational health and safety, gathering information that the other centres have discovered, then bringing it back to Canada and selling it for a user's fee. I would expect that many of the organizations that provide us the information would find it rather shocking that their information is being sold in Canada to possibly the highest bidder.

Today, hundreds of new chemicals are introduced into the workplace, almost daily. Men and women are going to work every day and in many cases have little or no idea of the kinds of things that they will be exposed to and the

long-range effects that those substances will have on their health. There are 863 deaths a year in Canada and 20,000 disabled workers a year. That is shocking in a nation that has so much to offer.

It is shocking for the government to say that it is not going to protect those workers and that it has no responsibility to those workers in the workplace. Workers depend on the government to care about them. Workers have a right to believe that this government will take care of their safety, as they go out every day and build the wealth of this nation.

For example, the CCOHS has become a world leader in knowing what the impact is of pesticides on our environment. Only today on CBC Radio it was announced that household pesticides, which many of us treat quite indifferently and feel are quite innocuous, even in the tiniest amount can affect people with allergies, from a sniffle to death. This is something we have only learned. Yet this government thinks we should be abandoning our commitment in the workplace.

My father worked for 40 years at Cominco in Trail in a zinc and lead non-ferrous smelter which was, for many years, the largest in the world. He worked in the zinc plant machine shop. It was a dirty hole. People are taken on tours there and they cannot get out fast enough. It is full of dirt, dust, lead and asbestos. Neither he nor his colleagues were aware of what these conditions would do to them, what would be the impact of these conditions in their 40 years of working life in their retirement.

Well, let me tell you what kind of retirement it led to. It led to emphysema. It led to my father not being able to walk to the end of the street without having to stop and catch his breath. It led to my father not being able to garden. I have seen my father lying on the lawn pulling weeds because his breath is cut off and could not bend.

That is the kind of protection that workers have a right to receive. It is protection that our mothers and fathers did not have, and that our children must have.

There is no excuse not to spend $10 million today when we will spend millions and millions of dollars tomorrow trying to remedy the carnage that is happening in the workplace.

I am a printer. I started my apprenticeship in the hot metal days of the printing industry. When I was an apprentice only 20 years ago we were encouraged to take calcium pills and to drink plenty of milk because there was lead in the room. Hot metal days in the printing industry meant that lead was used, as it still is in some shops. It turns out that that was the absolute worst thing that we could have done for our health. If had not been for research and the seriousness of the impact of lead exposure, we never would have known that.

I do not want my children to come out of the workplace full of carcinogens and chemicals that nobody has bothered to label or even to have considered as a serious health effect. I do not believe that any member in the Chamber would want their children exposed to that.

It is important for us to think about the thousands and thousands of Canadian workers who have died from asbestosis which comprised a large portion of the last generation of workers. We can find little excuse for not reinstating the funding.

Privatization of the Canadian Centre for Occupational Health and Safety is not the answer. I do not want to cast aspersions on any researcher, past or present, but I do want to say that it has been proven over and over again, particularly in the United States, that research can be bought. It is absolutely vital to workers in Canada that the research going on at this centre be clearly above any possibility of having been bought by industry.

One of the main concerns of every Canadian right now is the environment and our concern for the environment has to begin in our workplaces. The protection of our workers has to be one of the first key steps to the protection of the environment, our children, and our future.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, I have been eagerly awaiting this debate on the motion put forward by my colleague, the hon. member for Hamilton West.

The fact that the Canadian Centre for Occupational Health and Safety is in his riding is very important, not only to that hon. member but to all Members of Parliament.

The Centre plays an important role in the lives of thousands of workers of Canada. Its mandate is far more than the promotion of health and safety in the workplace, though it is reasonable to assume that the physical and mental health of working people constitutes the major part of the centre's concerns and activities.

The Canadian Centre for Occupational Health and Safety also acts as a bridge between all levels of government, labour and management, particularly when standards must be established, maintained or up-graded in the areas of health and safety. Over the years, the centre has accumulated a wealth of information and statistics which it shares with any organization involved in the areas of occupational health and safety. In fact, any Canadian has access to information which he or she needs to ensure that they work in a safe environment.

The health of Canadians has been a major concern for the Liberals and, indeed, all Members of Parliament, but it was the Liberals who introduced many social programs and the universality of these programs to Canada.

• (1340)

Safety at work, which guarantees health, is an extension of the medicare and health programs initiated by the Liberals. Much has been done by the centre, but the directors would be the first to agree that much still remains to be done.

Canada does not fare well on the international scene as far as occupational health and safety are concerned. In fact, we stand first among the five major industrial countries, including the United States, Great Britain, West Germany and Japan with regard to fatalities in construction, mining and quarrying. We are second for manufacturing and railway accidents. After heart disease and cancer, occupational death ranks third in the leading causes of mortality among Canadians. Such statistics warrant our attention and our continued vigilance.

The Minister of Labour stated in the House of Commons on April 28, 1989 that 894 Canadians died at work in 1987, and 25 million person-days were lost in that same year due to work accidents and occupational injuries or diseases. These accidents represent costs, direct and indirect, of $17.5 billion a year, and that is almost the same amount that this government was trying to borrow just last week on the borrowing bill. What a waste of health, productivity and time.

Statistics gathered by the centre tell us that 39 per cent of job injuries are due to illegal working conditions, and another 24 per cent is attributable to legal but unsafe conditions. The common denominator is consistently one of lack of information by both the employers and the employees.

Since the centre started operation 10 years ago, the work accident rate has gone from one worker in 8 to one worker in 10, which is a decrease of 17 per cent. Such progress did not just happen. It was the result of a concentrated effort by the centre to providing preventative information, by raising the level of consciousness, by establishing solid ties with all levels of government on this issue of occupational health and safety in Canada.

In 1988-89, the centre responded to 26,000 inquiries on its toll-free line, 54,000 new records were added in that same year to their electronic services, which consists of 50 data bases. This service was used by approximately 1,200 Canadian organizations which called on the system 40,000 times. A total of 350,000 publications on health and safety were distributed in the year 1988-89, and the involvement of the centre has been consistent, efficient and has improved under the guidance of a caring board of governors.

In their day-to-day work, the centre reports it has received total national and international co-operation, particularly with its American counterpart, the U.S. National Institute for Occupational Safety and Health. There has been a strong exchange of information and data bases, without charge, in the spirit of co-operation and mutual interest. It follows that the centre has attained an excellent reputation, both at home and abroad, for providing high quality information, a fact of which we should all be proud.

The primary recipients of the centre's work and activities have been, and should remain, Canadian workers and employers. This was an objective which this centre set for itself, and records show that 73 per cent of all inquiries have come from these two groups.

Much attention has been paid to health in recent years, with a great deal of it centring on prevention. Records have shown that where money has been spent on the prevention of accidents and disease, we have reaped immeasurable benefits. We have learned about better and more adequate nutrition, and we have successfully brought an awareness of accident prevention

through various programs aimed at curbing drinking and driving. We have heeded the message and donned walking shoes, skates and skis, all aimed at a more balanced and healthy life.

One what of the tremendous achievements made in the area of research and in the successful rate of transplants, surgeries and rehabilitation programs. All this points to an interest in health and an appreciation for health in all its forms.

Industrial health and safety is an important facet of our plans for a future without accidents, disabilities and surely, without fatalities.

The Centre for Occupational Health and Safety has played a major role and would like to continue its work. It was therefore with a great deal of consternation that I learned that the government had plans which would substantially affect the centre's ability to carry out its outstanding work.

The centre is being asked to survive for two years without government funding. Such budget cuts show a flagrant disregard for Canadians and are only another item we can add to the long list of cutbacks Canadians are being asked to accept by this inept government.

We are told to go and find the money somewhere else. This is more or less what the Minister of Labour told the board of governors of the centre. Without being specific the minister felt there were "many ways in which the centre could become self-financing within the next few years". However, the minister should have known that the fund raising options left to the centre are few, not many, as he indicated.

Throughout Canada there is a search for these funds for great causes. This is one of the causes. But it seems there is a proliferation of people trying to collect money, whether it be for universities or for other drives, like the Cat-Scan as is being considered in my riding. I believe the return on the moneys spent at the centre for the prevention of accidents would benefit all Canadians and save the government and, therefore, the Canadian taxpayers a great deal of money.

Fund raising is time consuming. Much-needed staff would have to be deployed to set up fund raising programs. The difficulty would be compounded by the fact that so many cutbacks have been made to essential services.

We have reason to wonder what type of fund raising can be carried out? The Liberal Party clearly saw the funding of the centre as a responsibility of the central government, and this party still does.

When the establishment of the centre was discussed in the House in 1978 the then Minister of Labour, the Hon. John Munro, clearly explained that the centre was to be financed by the federal government. Is the government now asking the Canadian people to accept another broken promise? Is the government taking chances with the health of Canadians due to its poor management of revenues? The answer to both question is, unfortunately, yes.

I urge the government to weigh the implications of the proposed cuts to the centre against the benefits of continued financial support to an organization which brings a vital service to Canadian workers, their families and employers which in the process enhances our image abroad and enhances health here in our own country.

[*Translation*]

Mr. Gilles Bernier (Beauce): Madam Speaker, the business plan for the Canadian Centre for Occupational Health and Safety has one basic objective: financial self-sufficiency. To achieve this goal, the plan considers the present context of occupational health and safety in Canada and suggests the following strategies:

The centre's financial strategy must stress its basic mandate which consists in promoting occupational health and safety, not pursuing related objectives. The centre's activities produce positive results within the next few years and not focus on new objectives. The centre must concentrate on a few initiatives likely to produce revenue and only proceed with new initiatives as resources permit. The centre must take advantage of its unique combination of technical expertise in occupational health and safety and information technology.

• (1350)

A major component of the centre's short term strategy must be to develop existing markets for products and services. The Canadian Centre for Occupational Health and Safety must also develop products and services connected with those aspects of its mandate that are safety-related and develop the market for these services which is apparently more lucrative than for health-related services. The centre must be considered as a truly

national organization in order to increase penetration of markets in all regions of this country. According to its terms of reference, the centre must primarily respond to the needs of Canadian workers. However, if it can increase sales of its products outside Canada, it will be able to finance its domestic activities. The centre must offer a package of products and services in order to provide for a stable source of financing that does not depend on individual sales. Furthermore, the centre should not create extensive marketing services but make use of its special relationship with other organizations and associations as well as existing distribution channels.

To sum up, the strategies of the centre's business plan are concerned with the products and information services that can be offered by means of compact disc technology. The plan suggests developing existing markets and finding new outlets for existing products. It also emphasizes marketing of safety-related products, suggests offering service packages, where possible, and recommends marketing these through existing marketing channels and through special arrangements with other organizations and associations.

Madam Speaker, it is essential that the Canadian Centre for Occupational Health and Safety have a sound, long-term financial base. The Centre's corporate plan established by its board of directors sets forth several strategies to make the Centre self-financing on a businesslike basis in the near future. The plan also contains recommendations on financing the costs of developing products and markets for the Centre, as well as present and future capital costs, and on certain structural changes.

These strategies were based on the principle that they should follow the methods generally accepted in the private sector. Therefore, if the Centre is to operate as a business, it must finance itself like a business, and that is what this government intends. Of course, the Liberals and New Democrats are not used to a concept like "self-financing".

The corporate plan confirms the government's decision that it is quite possible for the Centre to be financially self-supporting within a few years.

Madam Speaker, to further demonstrate this government's commitment to occupational health and safety in Canada and also to assure hon. members, users of the Centre's services and especially employees of the Centre that it will continue to fulfil its important mandate and carry out its activities, the minister has already approached Treasury Board to obtain the funds required for this interim financing. However, the actual amount will depend on a detailed analysis of the implementation plan, in accordance with the government's cost-recovery policy.

The corporate plan states the overall strategies that the Centre must pursue to reach the goal of financial self-sufficiency, but the Canadian Centre for Occupational Health and Safety will still have to do a lot of thorough, detailed planning to implement it and include it in the multi-year operational plan to be presented by September 30 of this year.

Madam Speaker, I said that the government intends to put the Centre on a solid foundation and at the same time to strengthen the Centre's impartiality and unique character.

The minister has therefore asked Treasury Board for authorization to lay a solid financial foundation for the Centre and to give it the financial tools it needs to manage its income and expenses properly.

[*English*]

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, in the few minutes remaining I would like to take the opportunity to put a few comments on the record on this motion that we are debating today. I will read the motion into the record:

> That, in the opinion of this House, the government should consider the advisability of reinstating funding for the Canadian Centre for Occupational Health and Safety.

It is important to follow up on the debate on this particular motion. I want to pay credit to our critic who has visited this centre and has invested a considerable amount of his personal time in following this issue. The member for Kootenay West—Revelstoke has put a personal commitment into concerns of this country about occupational health and safety. This is a concern that is directly related to an industry in my area in our province, namely, the forest industry, in which many people are injured.

In Canada alone, some 20,000 people per year are disabled. One thousand workers a year die on the job in the forest industry. It is an incredible situation that in this country we can have 1,000 people a year dying on the job. It proves just how important a centre like this is to assemble the information and material, and to give information to workers, employers and government bodies so that they are aware of the importance, danger and the kind of information that is required when workers are dealing with hazardous situations and dangerous chemicals.

The reason this motion is being debated is because of this crazy corporate agenda that the Conservative party is pursuing. It is trying to find a model way to privatize this centre. The point we have to make is that that the government has an important role to play in moderating and being the objective viewer in these instances.

There must be a stop to theses attempts by the Conservative Party to allow its corporate friends to have their way in all aspects of our life. We hope the government will listen, support and ensure that the funding continues so that this centre can continue on a permanent basis.

I mentioned the hard work that my colleague the member for Kootenay West—Revelstoke has done in this particular area. In just the minute I have before you call us to order, I want to read the last paragraph of a petition that he has been circulating into the record because it sums up exactly the concerns that we have. The petition states that the Canadian Centre for Occupational Health and Safety has achieved an unrivalled, international reputation as Canada's national centre for workplace health and safety. The petition concludes:

> Therefore, the undersigned humbly pray and call upon Parliament to restore the position and status of the centre as it was at the beginning of 1988, according to the centre's statute, and to reverse any moves that detract from the statutes of the centre as a public corporation with the objective spelled out in Section 5 of the legislation.

Madam Speaker, that is important. I hope the government listens for once.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being two o'clock, the House will now proceed to statements by members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

LAW OF THE SEA

Hon. David MacDonald (Rosedale): Madam Speaker, I rise today to remind the House of an important conference that took place last October, from October 16 to 18, in Copenhagen where representatives of this Parliament and all parties met with representatives of eastern and western Europe, to consider the future of the world's oceans, particularly those directly related to our countries.

At that time, we declared in the final statement the vital importance of the seas and the oceans for the survival of the earth, and the significance of the oceans for the global environment, the survival of species and the maintenance of biological diversity.

Madam Speaker, you will know that in 1982 we concluded an historic agreement on the Law of the Sea. By 1984 some 159 nations had signed this particular treaty. Unfortunately, in the last six years, less than 40 countries have ratified it. It needs 60 countries in order to come into full effect one year later.

Since Canada has the longest coastline in the world—some 150,000 statute miles extending on three oceans—I would urge all members of this Parliament and Canadians to finally endorse and ratify a convention so important to the future of life in this country and on this planet.

* * *

CANADIAN CANCER SOCIETY

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Madam Speaker, April is cancer month in Canada.

Members of the House are wearing daffodils today to help launch the Canadian Cancer Society's yearly campaign. This year the goal is $41 million.

The backbone of this great society is its 300,000 dedicated volunteers, working throughout Canada in large and small communities. They help in spreading the public education message that is so valuably needed. They help comfort cancer patients in so many ways, and are the driving force behind the society's fund–raising activities.

The Canadian Cancer Society funds its research projects through its affiliate, the National Cancer Institution. It will spend more than $32 million this year alone.

This research covers many aspects, including the cause, prevention, early detection, responsiveness, as well as improving the quality of life for all cancer patients in Canada.

There are very few families in Canada who have not experienced the tragedies of this terrible disease.

I thank you, Madam Speaker, for allowing me the opportunity to speak on this subject today. I thank the students from Ashbury College who are here today to assist. I thank the people from Ottawa in the Cancer Society, and thank you Debbie.

* * *

[*Translation*]

ACQUISITION OF A FIREARM

Mr. Guy Saint-Julien (Abitibi): Today, I would like to draw the attention of the House to what I found when I happened to compare what it says on the driver's license renewal form and the firearms acquisition application form.

Surprising though it may seem, to buy a gun one doesn't have to provide a medical record or state any diseases or functional impairments, as one is asked to do when applying for renewal of one's drivers licence.

Madam Speaker, I think there is something definitely wrong here which can have very dangerous consequences.

* * *

[*English*]

FAMILY VIOLENCE

Mr. Maurice A. Dionne (Miramichi): Madam Speaker, over the past year it has become obvious that violence is a severe problem on the Miramichi and elsewhere.

Violence is a learned behaviour that often begins when a youngster sees a woman assaulted in the home, or is a victim of violence at the hands of a man or woman who has been a victim. The common result of that lesson is more violence.

Women make up the majority of victims, but men are not immune. For men, the odds are that one in four women who will be assaulted will include your mother, your wife, your girlfriend, your sister or your daughter. Some 40,000 New Brunswick women will be assaulted this year, sometimes repeatedly.

The Miramichi Anti-Violence Committee wants to send a clear message to men and women alike that violence is never justified in resolving a dispute. No woman deserves to be hit. No man is justified in hitting a woman.

We want to send a message to society at large that violence against women is not a women's issue. It touches us all. It must no longer be tolerated.

* * *

CHILDREN'S BILL OF RIGHTS

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, last Tuesday we witnessed members of the government vote one by one to defeat a private member's proposal for a children's bill of rights.

Last Friday, an Ontario judge ordered the eviction of a two year old child and her family because her crying, while teething, annoyed her neighbours. Any mother who has walked the floor with a teething child will be shocked by this ruling.

What is worse is that the judge ruled that because the parents did not do anything about it, they are out, because for them to stay would be unfair to neighbours.

What would the judge have had the parents do, gag the baby, or drug the baby? Surely, Madam Speaker, you would agree that if we react to a child in so much pain that she is screaming by casting her from us, by throwing her out of her home, then indeed Canada is a society that desperately needs a children's bill of rights, and soon.

This government claims to have embraced the UN Declaration on the Rights of the Child. Surely, these rights must extend to a child who is crying in pain.

S. O. 31

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

Hon. John Bosley (Don Valley West): Madam Speaker, the International Development Research Centre, better known as the IDRC, is well known to all of us.

It has recently published a new document entitled, *The Global Research Agenda: A South–North Perspective*. It is the first in a series of opinion documents produced on global issues of international development of concern to all Canadians.

This particular document points out the direction of scientific effort needed to solve world problems such as the precarious state of the environment, population growth, the debt crisis, the drug menace, all of which threaten peace and security.

Through support for research, IDRC assists developing countries in creating their own long–term solutions to pressing development problems.

On the occasion of its twentieth anniversary, IDRC has published this book to share some of the knowledge it has gained over the years of forging international research and scientific links.

The president has kindly made sure that there are enough copies for all members of the House. I strongly encourage that each member read this timely document.

* * *

NATIONAL AIDS STRATEGY

Mr. Dave Dingwall (Cape Breton—East Richmond): Madam Speaker, on April 7, 1989, the Minister of National Health and Welfare stated: "AIDS is a problem that respects no national borders."

The spread of this disease is not waiting for a national AIDS strategy, but its victims have been waiting for a long, long time.

Back in November, 1989, *The Toronto Star* reported that one in every 394 women who gave birth in Montreal early this year was carrying the virus that causes AIDS.

According to the latest update from the Federal Centre for AIDS, Canada has 51 cases of children less than 15 years of age who have AIDS.

Over 2,000 individuals have fallen prey to this lethal disease. How many more must fall victim to a government that lacks the political will to move effectively and urgently?

The delaying of a national AIDS strategy and the lack of a commitment by the Government of Canada is causing us to lose valuable time.

While we lose time, Canadian families are losing loved ones. Recently in Atlantic Canada, individuals from the four Atlantic provinces came together in a conference called the Atlantic Network on AIDS. There was a consensus reached at that particular conference that the Government of Canada must show some real leadership in fighting this lethal disease.

I urge the minister and the Prime Minister to take their responsibilities seriously and move forward with a national AIDS strategy immediately.

* * *

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Madam Speaker, I rise to applaud the measures announced Friday by the Minister of Agriculture to assist the incomes of Canadian farmers this year.

In order to especially address the serious cash flow problems in the grains and oilseeds sector, the federal government has committed $500 million which, when matched by the provinces, will address the projected shortfall in farm income this year.

Agriculture is a shared federal–provincial jurisdiction. The federal government will work with the provinces to design the best approach in each province, consistent with the four pillars of the *Growing Together* strategy. The assistance must be delivered in ways that are production neutral, environmentally sustainable and lead into the transition toward a long–term comprehensive farm safety net.

These measures are further tangible proof of this government's ongoing commitment to stand behind Canadian producers.

YUKON LAND CLAIM AGREEMENT

Ms. Audrey McLaughlin (Yukon): Madam Speaker, I wish to applaud the settlement of the Yukon First Nations land claim.

Many people have put their lives and their hearts into these negotiations on behalf of their people. In fact, in 1905, Chief Jim Boss first advocated the justice of a land claim in the Yukon. Negotiations which have settled this claim have taken place over the last 17 years.

Yesterday, in celebration of the claim, I was pleased to see three members who came down to Ottawa in 1973 to advocate that land claim. They were the respected Indian elder Elijah Smith, the creator of the Yukon Native Brotherhood, Judy Gingell, the Chair of the Council of Yukon Indians and Sam Johnston, the present Speaker of the Yukon Legislature.

• (1410)

I also congratulate the Yukon territorial government, the federal government and the work of the Minister of Indian Affairs and Northern Development in reaching this settlement which is a model of consensus making.

In celebrating this, I would urge the minister to continue his strong work on behalf of the Dene–Métis claims so that we can have true justice for land claims in the north of Canada.

* * *

FATHER RUFINO NICCACCI

Hon. Bob Kaplan (York Centre): Madam Speaker, I want to share with the House a glorious moment in the life of our country that occurred last night in Toronto.

Over 700 members of the Canadian Italian and Jewish communities in Toronto, with many others packed a hall to honour the memory of a Franciscan monk, Father Rufino Niccacci of Assisi, Italy who, during the Nazi holocaust in Italy, helped to save thousands of Jews from destruction. His success owed much to the support of the entire population of Assisi, who also risked their lives to shield and protect fellow citizens whose only offence was to be Jewish.

Here in Canada decades later, we reflected on the watchword of Father Rufino Niccacci drawn from the Bible: "I am my brother's keeper" and we committed ourselves to struggle against discrimination and racism. We launched and funded a new joint committee to take up this mission.

The beautiful face of multiculturalism was radiant in Toronto last night.

* * *

THE ENVIRONMENT

Mr. Dave Worthy (Cariboo—Chilcotin): Madam Speaker, this past weekend marked the expiry of the FRDA between the federal government and my province of British Columbia.

Across Canada these agreements represent the largest environmental rehabilitation program ever undertaken, as well as one of the finest examples of the benefits of federal–provincial co–operation.

Moreover, the agreement represents thousands of jobs, not just jobs for today but jobs for future generations.

On behalf of the people of British Columbia I am stating emphatically that although the agreement has expired, we must not allow the FRDA initiative to die. The original agreement accomplished a lot. The new agreement that we must negotiate will do likewise.

Few government initiatives are as essential for both environmental and economic reasons. We must insist on the early renewal of this agreement.

* * *

GOODS AND SERVICES TAX

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, the Conservative government's plan to tax every service we receive from the time we are born until we die demonstrates that this government does not care about the people of this country or what they are going through.

The proposed goods and services tax will be applied to the cost of funeral arrangements. It will have a dramatic impact on the bereaved citizens of Canada.

The effect of the GST on such services as the prepaid funeral arrangement will cause an administrative nightmare for those in the funeral business.

Funeral services should be considered a final extension of the health care services in this country and should, therefore, remain tax exempt.

A government tax should not be imposed on the cost of having one's loved one taken away from them.

The government is demonstrating a total lack of appreciation for the sensitivity toward people that must be constantly practised by those in the funeral business.

Once again, this government has demonstrated a lack of respect for the people of this country, those who are alive as well as those who have deceased.

* * *

[*Translation*]

AGRICULTURE

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, in Rouyn-Noranda on April 10 and 11, this year, an important event will take place and I am referring to the international symposium on grass ensilage. The purpose of the symposium is to discuss all aspects of ensilage, a modern technology that has played an important role of in the development of agriculture in Eastern Canada. There will be discussions on preserving ensilage and on livestock performance in relation to ensilage processing. Some of our foremost researchers from North America and Europe will be heard during this conference.

In addition to farmers in Abitibi—Témiscamingue and Northern Ontario, participants will include farmers from Eastern Canada, agronomists, technicians, veterinarians, researchers, university experts and farm input distributors.

Congratulations to the agri-food research council of Abitibi—Témiscamingue for deciding to organize this type of prestige event in Abitibi—Témiscamingue!

* * *

[*English*]

TRADE

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, slowly and relentlessly we see the whole manifestation of the so-called free trade agreement with the United States and Canada unfold.

Part of the plot is now more evident than ever before. The United States decision to enter unilateral negotiations with Mexico for a free trade agreement with that country places Canada between a rock and a hard place.

This government has given up all the leverage it had in the control of our resources. Now, with access by the United States to a Mexico free trade agreement, we will not be in a position to protect what is left of Canadian industry.

This country's economy and control of its resources are at peril.

I ask the government to either come clean on this deal and tell us whether or not it is in a trilateral agreement with Mexico, or cancel the free trade agreement with the United States before it is too late.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister.

I want to ask the government questions about the crises it is failing to deal with in two key sectors of our economy—agriculture and the fishery.

So far, the government has failed to come up with any meaningful plan of action for the fishery. Last Friday, it came up with a totally inadequate plan of financial help for our farmers, but only if it was matched by the provinces themselves.

Even Conservative Premier Devine of Saskatchewan could not accept this. He said his province could not afford to pay any more and that it alone needed $500 million just so its farmers could get their seed into the ground this spring.

When is the government going to recognize the crisis in agriculture and come up with a truly meaningful plan for our farmers, something that will help them survive and contribute to our economy?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the government has recognized the problem in agriculture and the problem in the fisheries.

With respect to the problem in agriculture, there was an announcement made by the Deputy Prime Minister last week that up to $500 million would be available to provide assistance to farmers in 1990, contingent on provincial participation.

Why provincial participation? Because the provinces, of course, share constitutional jurisdiction over agriculture with the Government of Canada.

I would like to point out to the Leader of the Opposition something he may not know. In 1988–89, the total federal spending on agriculture was almost two and a half times that of all the provinces combined. Thus there can be no argument that we are not doing our share in helping to meet the needs of the agricultural sector, particularly when we recognize the financial difficulties that face the Government of Canada as it faces the provinces. Unfortunately, our position is even a more stringent one than theirs when you look at the proportion of our revenue that goes to service the debt.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister in his answer for the government totally overlooks the fact that in the coming year, realized net incomes are forecast to drop 54 per cent in Alberta, 87 per cent in Manitoba and 101 per cent in Saskatchewan.

Under these circumstances where does the minister think the provinces in question, especially Saskatchewan, are going to get the funds to match the federal offer?

What he is saying is totally unrealistic and overlooks the federal role in the matter, especially with the international causes of some of these problems.

I want to give the minister a chance to see if he can do any better when it comes to an answer to a question about the fisheries.

In its throne speech of April 3, 1989—one year ago tomorrow—the government pledged to reduce predatory overfishing. Yet, whenever the issue of foreign overfishing has come up in the past year, whether it is caused by the Americans, the Portuguese or the French, the government has totally failed to accept the fact that foreign overfishing has anything to do with the crisis in the east coast fishery.

In the just released report commissioned by the government, Dr. Harris states: "Given the near desperate state of the inshore fishery along the coast of Newfoundland and Labrador, there should be no question of foreign allocations". Dr. Harris went on to say:

Some Hon. Members: Question.

Mr. Speaker: Would the hon. member please put his question?

Mr. Gray (Windsor West): "All foreign overfishing within the 200-mile zone should be terminated at the earliest possible date and there should be an immediate reduction in the level of foreign overfishing".

Does the government accept that recommendation? If not, why not? If yes, why will the government not announce today an end to all foreign overfishing in Canadian waters?

• (1420)

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, where is the member for Gander—Twillingate when the members need him?

This was a two-sided question. With respect to agriculture, the problems are not caused just by an international trade war, although that is certainly one of the causes. The causes of the problem include drought, debt, increased costs, prices continuing before trend lines, and the like. The Government of Canada is prepared to be flexible with respect to how the $500 million it is allocating can be spent and for what programs it can be used.

With respect to the question of the fishery, the present Government of Canada recognized before Mr. Harris was even appointed the problem we had from overfishing in the nose and tail of the Grand Banks, particularly by the European Community.

Mr. Robichaud: What have you done about it?

Mr. Crosbie: What we have done about it is lead a vigorous international campaign that had quite substantial results. Last fall, at the meeting of NAFO—

Mr. Robichaud: And they're still overfishing.

Mr. Crosbie: That campaign is being continued. As a matter of fact, the Minister of Fisheries and Oceans and I are visiting the Chairman of the Council of Ministers of the European Community in Ireland on Wednesday for a meeting on this very subject.

On Thursday, we will be visiting Brussels where we are going to meet with Commissioner Morin, the Fisheries Commissioner of the European Community.

We are keeping the pressure on. We hope to see further improvements with respect to foreign overfishing.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister has been good enough to list a number of the causes for the crisis in Canadian agriculture. It is too bad he did not mention another major cause—high interest rates caused directly by this government's support of the policy of the Bank of Canada.

The minister is also telling us about the very interesting foreign trip he is going to take. I hope he enjoys himself, at least when he is in Ireland. But I want to ask him in particular why the government does not take steps to end foreign overfishing in waters that are clearly Canadian.

[*Translation*]

Mr. Speaker, in his report, Mr. Harris said that all foreign fishing activity should be stopped as soon as possible and that overfishing by foreign fleets should be terminated immediately.

Mr. Speaker, does the minister accept Mr. Harris' analysis and especially recommendation No. 6? If so, will he take the necessary action today?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the House is lucky that the hon. member does not have the *Encyclopaedia Britannica* with him or he would be reading that.

With respect to the question of interest rates, the hon. gentleman has probably got the greatest length of service in the House of any of us. In every year he served in government, he supported a government that supported the Bank of Canada. Through the years when interest rates when to 22 per cent and 23 per cent that hon. gentleman supported the Bank of Canada and supported the then Liberal government. Why does he come forward with such a hypocritical question, Mr. Speaker, when we are carrying on a tradition he started?

AGRICULTURE

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to ask the minister a similar question dealing with the farm issue and the totally pitiful response the government made on Friday.

Mr. Speaker: This exchange has gone on for quite a long time. I would ask the hon. member to be as direct as he can.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, does the minister not realize that the government has already cut close to $10 billion in transfer payments to the western provinces?

Does he not realize that agriculture is clearly a federal responsibility because of the international situation?

Does he not realize the program announced on Friday is going to discriminate against the smaller prairie provinces because they simply cannot afford the matching grants? Therefore in the western provinces the family farm will go down the tubes. Does the government not recognize that basic reality about the situation in western Canada?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I know the House realizes by now that simple statements by the hon. gentleman opposite does not mean that they are factually correct. The statement alleged to be factual in that preamble was certainly not correct.

Does the hon. gentleman realize that the western provinces, for example, have a very favourable financial position with respect to servicing debt as compared to the Government of Canada, and that 35 cents out of every revenue dollar of the Government of Canada we cannot control? That goes in paying interest, mostly on the debt that the hon. gentleman racked up while he was here with the last government. This is in comparison to the position in Saskatchewan where I believe they pay around 9 cents of the revenue dollar to service their debt. In Alberta it is 8 cents per revenue dollar, and so on.

Despite this, the government spent two and one–half times more than all the provinces combined in agriculture in the year 1988–89. Does the hon. gentleman realize that? Does he realize that provinces have equal responsibility with the Government of Canada in the field of agriculture and that we are going forward with

another offer which we hope they will match? We are prepared to be flexible, and we are waiting for their response.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I simply want to point out to the minister these realities. Thirty per cent of western Canadian farmers are in danger of losing their farms. Farm income in 1990, according to StatsCanada, in Manitoba alone will drop by 75 per cent. In Saskatchewan there will be an 85 per cent drop. In Alberta there will be a 66 per cent drop. The farmers cannot face that kind of situation without federal aid.

I want to ask the government this. Why is it in the interests of the Tory government to defend the ill-begotten designs of the Minister of Finance rather than defending the western Canadian farmer as it should?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, this government is defending the interests of every person who lives in Canada by trying to save this country's credit and financial resources and by trying to get flexibility and strength back for the future. We are doing that by still continuing to meet the needs of the farmers with this $500 million offer and other offers that will be made in connection with the fishery in the next few days.

That is what we are attempting to do while the hon. gentleman opposite has not got one constructive suggestion to put forward.

* * *

STATUS OF WOMEN

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the minister responsible for the status of women.

Once again, the government is trying to silence the voices of legitimate protest in this country. It is trying to make sure that the normal exercise of democracy cannot take place.

This morning in St. John's, Newfoundland, approximately 25 women were arrested. What were they arrested for? For trying to send a fax to the Secretary of State to protest the cuts to women's centres. They simply wanted to express their views.

I ask the minister who is responsible, I will remind her, for the status of women, will she press for these charges to be dropped against these women who are simply standing up for their rights?

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I am very pleased to have an opportunity to set the record straight on this incident that happened this morning.

We are aware that in the last few days of last week there were demonstrations within the Secretary of State office in St. John's. Those persons left on the weekend.

In order to secure the documents within our Secretary of State office, as well as to service the public, the Secretary of State hired two additional security people, one for the outside and one for the inside of the office.

This morning about 25 women came into that office in spite of the security being there. They came into the office. They occupied the office. The security people asked them to leave. They did not leave. The security people asked the police to come and speak to the demonstrators in the Secretary of State office.

• (1430)

I wish to clarify that the police spoke to those 25 women and told them of the repercussions if they did not leave the office. They did not leave the office. They said they would leave, the police left, and then the lawyer for those women advised them what should happen.

What happened is that they were arrested and released—

Mr. Speaker: Perhaps we should proceed. The hon. member for Yukon.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Minister responsible for the Status of Women. The fact is that these women were peacefully trying to send a letter.

An Hon. Member: Fire the guards and spend the money.

Ms. McLaughlin: Obviously the Minister responsible for the Status of Women refuses to drop the charges against these women.

[*Translation*]

Now my question for the minister is on another subject. The pattern is very clear: demonstrators are arrested on the Hill, native people's communications programs are ended, debate on the GST in Parliament is interrupted and Canadian women are ignored. Is the minister prepared to assume her responsibilities in Cabinet and fight to restore the programs for the women of Canada?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I am sure that my hon. colleague would not be condoning anyone breaking the law under any circumstances.

What I would like to bring to her attention is that my colleague, the Secretary of State, last week advised this House that a special allocation of project funding had been made available to the provinces of Newfoundland and British Columbia whose senior officials went to Newfoundland last week and met with officials of the women's centres to assist them in deciding on how they wished to proceed. The money is there. It is available for the women's centres if they wish to take advantage of it.

I would also like to point out to my hon. colleague that this government has undertaken considerable efforts for the women of Newfoundland. Just a few months ago the government opened a women's enterprise centre in St. John's, Newfoundland with the support of $800,000 from the Atlantic Opportunities Agency. That is an example of the variety of ways in which we can support services for women in Newfoundland and across this country.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the same minister.

I think the minister has her priorities mixed up. Next she will be sending in the army against the women of Canada.

Some Hon. Members: Oh, oh!

Ms. McLaughlin: Mr. Speaker, the Minister responsible for the Status of Women at the time of the budget cuts said that they would be "potentially devastating". Surely, if the minister is willing to listen to the women of Canada, they are saying that they are devastating now. These are services for battered women, for women with family problems, to assist women to get into the job market. They are essential services.

Will the minister reinstate core funding for these women's centres? She knows that project funding alone cannot keep these centres going and that it is core funding we are talking about.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I think it is important to get the record straight. First, the women's program of the Secretary of State is a limited program to fund advocacy and education activities of women's organizations. It is not designed to support services for women. Very clearly, in the terms of reference for the women's program, it says it does not fund services for women.

In terms of the services for women in the provinces of Ontario, the province of Manitoba, and to a great degree the province of Quebec, it is the provincial government which bears that responsibility, using 50–cent dollars under the Canada Assistance Plan. We should be working as the province of British Columbia, my colleague has said, on a task force to look at the appropriate way, a better funded way, in which to provide services for women in the provinces of British Columbia and Newfoundland where the provincial governments have not picked up this aspect.

I am prepared to work with them, I hope that they will as well, to ensure that these services can be provided for.

* * *

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of the Hon. A. W. Lacey, Minister of Commerce and Technology of the province of New Brunswick.

Some Hon. Members: Hear, hear!

* * *

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I direct my question to the acting minister of fisheries, the acting Prime Minister, in his latest of many acting roles.

He will be aware that the very first recommendation of the Harris panel on northern cod suggests that as a matter of urgency there ought to be an immediate reduction in fishing mortality and that the effects of that recommendation would be to bring the catch effort down as low as 87,000 metric tons by 1992, as compared to 197,000 now.

If the government is prepared to endorse and implement that recommendation, what does it have in mind in so far as the terrible conditions that will prevail for the fishermen and plant workers involved? What initiatives will be taken to protect these people if that recommendation is implemented?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I believe the Minister of Fisheries and Oceans has stated that he shares the view of Dr. Harris and his panel that the northern cod stock is in decline and that unless steps are taken the whole fishery will be affected.

He has also stated that the total allowable catch with respect to northern cod will remain this year at 197,000 tonnes, which is a 69,000 tonne reduction as compared to two years ago. The minister will have to make a decision this coming fall with respect to what reduction may be necessary for purposes of conservation in view of the present situation. He will have to make that decision this fall in light of the information that is then available, including information that will be made available from expanded and increased research efforts out on the fishing grounds, to try to get more and better information on just state of the fish stocks.

I can only say that the minister understands the seriousness of the situation and will be making a very careful decision based on all information available next fall with respect to the year 1990–91. With respect to those affected by any such decision, there is already a $130 million program in effect. I will not go into the details, but the Minister of Fisheries and Oceans will be announcing further steps to assist those who are having difficulties as a result of this situation within the next week or so.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, also in the same report Dr. Harris and his people recommend that the government seek international agreement to permit Canada's management of the fish stocks on the entire Canadian continental shelf and, failing that, take unilateral action to acquire management rights.

This is the latest group. Last week it was the Fisheries Council. The Liberal caucus has been saying it to the minister for many months in this House and outside. The minister's good buddy, Dick Cashin, and the union have been saying it for a year or two as well.

How many times has the government to be told of the wisdom of taking this particular action? Would it finally take the advice of Dr. Harris, get on with the job, and get the foreigners out of the way so we can have some fish for our own people?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman knows that is a very simplistic question. He also knows that the government that preceded ours and was in office for some 20 years, a very long period of time, took the position that it could not take unilateral action to extend jurisdiction, even to extend the 12–mile limit and certainly not to go beyond 200.

Unilateral action on our part would not be observed by other nations of the world. It would be completely useless and, not only that, extremely damaging to Canada. We are pursuing all avenues available to us under international law, including conferring with other coastal states to see if we can have recognized in international law the rights of the coastal state over straddling stocks.

We are going to have a renewed, reinvigorated and expanded campaign to try to persuade Spain, Portugal and the European Community to observe the NAFO quotas this year. That is a continuing campaign. There are two meetings this week to pursue that.

We are going to continue with all means at our disposal to see that these objectives are realized, both the ones that Dr. Harris wants and that we want.

[*Translation*]

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is for the minister responsible for fisheries, or I should say who is still answering for fisheries.

The Harris report talks of extending fishing zones and foreign overfishing, but also mentions things the government could do now like banning fishing during the spawning period, better surveillance and protection and,

most important of all, improved and increased scientific effort on northern cod.

Is the government prepared to act immediately, not next fall or next year, but immediately on these recommendations of the Harris report?

• (1440)

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the Minister of Fisheries and Oceans was on Friday and over the weekend and is today and will be tomorrow, when I will be accompanying him, consulting with members of the industry, with those involved in the fisheries unions that represent the workers, and with provincial governments and advising them of what steps we now propose to take. Within the next few days he will be announcing the concrete steps the government is to take in connection with the Harris report recommendations.

I think this will be action that any reasonable member of this House will support and will realize should go a long way in meeting this problem. These actions will certainly include greatly expanded acquisition of facilities, efforts and expenditures with reference to scientific research off the east coast of Canada.

[*Translation*]

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, we are still hearing lots of words—big words with little meaning. We are told that consultation is still going on but nevertheless, the government has long known about a crisis in the Atlantic, even if the Prime Minister denied it.

All those concerned with the fishery agree that the government must act right away, that it must do something!

Mr. Masse: Lying words!

Mr. Robichaud: So why does the minister hesitate to tell us this very day what they are prepared to do? Why are they reluctant to mention the billion-dollar aid program the fishermen were promised? Where is this program?

Some Hon. Members: Hear, hear.

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, it is interesting to observe the inconsistent ways in which the hon. gentleman approaches the problem.

The Harris report was made public last Friday. Today is Monday. If the government acted now without any consultation whatsoever with provincial premiers, fisheries ministers, the industry and the unions, the opposition would be in a state of outrage and high dudgeon, and of course the media would report that fact.

We are taking a couple of days to advise all these groups of the actions that we have decided to take and what our program is to be. There will be a public announcement within a few days. We are just observing proper courtesies in giving people that we are dealing with in the four Atlantic provinces a chance to give us their reaction to what we propose to do. At that time the announcement will be made.

If we did not do that, the hon. gentleman would be up claiming that we were not consulting with the provinces.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is also to the Minister for International Trade.

In response to the crisis in the Atlantic fishery, we have seen this government just refuse to put up any new money to save these communities. We have heard a lot about the $130 million, but we all know that was money which was previously allocated to the Atlantic region.

We have seen too, just today, that the government will not reduce the TAC to save the fishery resource. We have seen that it does not want to take unilateral action to take jurisdiction over the nose and tail of the Grand Bank. We wonder what the government is going to do with the Harris report.

Let me ask the minister about another recommendation from the Harris report and other reports which suggest that communities should share the pain of the Atlantic and that we do this by community quotas for the fishery.

National Sea has closed its operations in Canso and is attempting to move its trawlers elsewhere. Is the minister prepared to reconsider the refusal to examine com-

munity based quotas in light of the support extended by these recent reports and the needs of communities like Canso?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the question of community quotas is one that has been examined in the past. It was examined, for example, by Mr. Michael Kirby when he was appointed by the last government to examine the fishery.

Mr. Michael Kirby in that report, in published speeches made in the last month or so and in newspaper articles has pointed out that economically it would be suicide for the east coast fishery if we were to have a system of community quotas. This is the advice that we have received from the experts who have studied the subject, including Mr. Michael Kirby.

We will, of course, continue to examine that issue to see if there is any variation on that suggestion that could be carried out. With respect to wondering what the government is doing, there is a $130 million program. It is not money that was already previously assigned to Atlantic Canada. That is simply 100 per cent incorrect.

It is money under the POWA program, the program for older workers, that was never assigned before. It is money for a program leading up to the POWA program for those aged 50 to 54, a new program unheard of in Canada before. It is a community development fund when there was never any community development fund before in the fishing industry of Canada. That is all money that was not assigned to Atlantic Canada.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I guess the answer to that Harris recommendation is no as well.

Atlantic Canadians are not just waiting for the $130 million. They are waiting for resources to save their communities. I wonder whether this government is going to accept any of the 29 Harris recommendations. For example, is it going to accept the recommendation that more resources are needed for surveillance and enforcement or are we just going to have to sit and then get another no answer? Atlantic Canadians want action. They do not want more talk.

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman is a little premature in urging immediate action. The report was made public last Friday. The minister is in the process of consulting interested parties today. The minister will be making an announcement in the next few days.

With reference to the question of whether we are going to put more resources into scientific investigation, enforcement and surveillance, I can put the hon. gentleman's mind at rest now. The answer is yes, y–e–s. The hon. gentleman will now be able to sleep tonight.

* * *

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is to the Acting Prime Minister. One year ago the government cut $500 million out of the budget of the Department of Agriculture. Last month it cut $441 million out of the Agriculture estimates.

The government has known since November that it would need to have a special program for western farmers to assist in their cash flow problems. The program announced last Friday by the Minister of Agriculture requires federal–provincial funding. Can the Acting Prime Minister assure western farmers that these funds will be paid before the end of the month?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, ongoing negotiations with officials are taking place all this week. When the ministers return this weekend we are hopeful that we can put together a package and have a response to the farmers of Canada.

At least by tabling and putting our $500 million on the table, it has sent a very strong signal to the farmers. I know the farmers in Ontario, the area I represent, feel quite positive that the federal government is supporting them. I know there is confidence out there already. I am quite sure an agreement will be reached with the provinces very quickly.

Mr. Maurice Foster (Algoma): Mr. Speaker, last year the government cancelled the interest–free portion of the advance payments program. Last Friday it announced that FCC interest rates will go up to 14.25 per

cent. These are interest rates beyond all reason. Last Friday the government stated in that announcement that there would be billions of dollars of assistance through the prairie grain advance payments program.

Can the Acting Prime Minister or the Acting Minister of Agriculture clarify if the interest-free portion of the prairie grain advance payments program is going to be reinstated so that farmers will be able to stay on their farms and have funds to plant a crop this spring.

• (1450)

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the government is not going to reintroduce the interest-free portion of the advance payments program.

An Hon. Member: Shame.

Mr. Cardiff: There is no shame in doing that. We have come out with much better programs that meet the needs of farmers of today. The programs that were announced last Friday show that this government is responding to the needs of farmers in Canada, more than any other government. We are not ashamed of that at all.

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STATUS OF WOMEN

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Minister responsible for the Status of Women.

This government is escalating its war on women, it is escalating its war on democracy.

In Newfoundland, thousands of women are being thrown out of work as fish plants close. Their families are disintegrating because of the disintegration of the fishing industry. Their communities are falling apart around them. They are turning to women's centres to help keep body and soul together and to keep their sanity.

Will the minister urge her government to apologize to the women of St. John's, Newfoundland?

Some Hon. Members: Hear, hear!

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): First of all, I am surprised that the hon. member would be discussing this. I understand there were a few incidents at the Liberal leadership forum in Winnipeg where the Liberal party did not seem too interested in hearing the voices of opposition.

I really think it is important. Certainly there is a right to legitimate protest. But when demonstrators come into a government office and after a reasonable period of time, after a number of requests, refuse to leave and therefore impede the progress of proper government business, obviously some actions have to be taken.

Why I am most surprised at the member asking is that last week the Secretary of State said in this House that he sent his officials to Newfoundland to work with the women's centres of Newfoundland to assist them in providing project funding which will enable them for a period of time to continue with their services until they can find other resources, and to work with the province. There will be an appropriate funding agency for the ongoing services of women.

We are making every effort. We are making efforts such as the opening of the Women's Enterprise Centre in St. John's, Newfoundland.

I think the hon. member should be applauding those efforts we are making on behalf of women of this country.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am sure the minister has absolutely no idea how pompous and condescending she looks to the women out there.

Some Hon. Members: Hear, hear!

Mr. Speaker: Perhaps the hon. member will put her question.

Mrs. Catterall: Will the minister apologize for her attitude? Will she insist on the restoration of funding to women's centres? Will she stop defending a government that is doing battle against women?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Perhaps the member has not listened. Time and time again I have told the member of the programs and the work of this government in support of women, in support of the project funding for women's centres and women's organizations and the money that is available to assist with family violence right across this country. The women from the Canadian Jobs Strategy Program assists women in training and finding a job. The member is not interested in listening to that. We are the government

that is finding long term, real solutions to these fundamental programs to assist women in this country.

* * *

AGRICULTURE

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, my question is for the Acting Minister of Agriculture, whoever that might be.

Seeding is going to start any day now. Farmers were expecting a federal aid package which would put cash in their hand to help pay for the fuel, fertilizer and the seed. Instead, last Friday they received notice of another costly hike in Farm Credit Corporation interest rates and a farm aid package that is conditional on sharing with the provinces. That process of sharing with the provinces is going to take a lot of negotiation.

Does the government have a time frame within which it will complete the negotiations with the provinces, or does it intend to let the farmers hang out to dry while it and its counterparts in the provinces bicker and quarrel?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, there is no intention of delaying this any longer than possible. The quicker we can reach an agreement with the provinces, the quicker the dollars will be in the producers' hands. As I said earlier, negotiations and discussions are taking place with officials all this week and we are hopeful that there will be an early resolve and an agreement.

I want to remind the hon. member of what our minister said earlier, that agriculture is a shared responsibility. It is as difficult for us to raise funds as it is for the provinces. That is why we are asking the provinces to share in helping the farmers of this great country.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, this is an emergency and the time needs to be as short as possible, not as long as possible. What does the government intend to do if it does not reach a cost-sharing agreement with one of the provinces? Does the government simply leave those farmers out to dry?

Only an hour ago in Saskatchewan the Minister of Agriculture and all the farm leaders indicated that they sincerely believe that this is a federal responsibility and that they should not have to put up money.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as I said before, it is a shared responsibility. We intend to be successful in our negotiations. If you go into negotiations with the thought that you are going to fail, you will fail, but we are not going to fail.

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PEARSON INTERNATIONAL AIRPORT

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, last week in this House I asked the Minister of Transport two specific questions about Pearson International Airport, one about the security system in place and the other about the crowding in the skies.

We were told, at that time, and I quote: "The system at Pearson is working and it is working safety". Three days later, the Canadian Aviation Safety Board came out with a report which says, and I quote: "Urgent ministerial attention is required to correct 48 identified deficiencies at Pearson International Airport, to ensure the safe separation of aircraft". Which position is correct?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, we welcome the Canadian Aviation Safety Board's report. We have been studying it carefully. Many of the deficiencies which they reported on have already been activated. We have hired and are training some 360 air traffic controllers. We have doubled the training capacity to 312 since 1988. We have been rehiring former controllers and retirees and taking other measures to make sure that the Canadian skies are safe.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): A supplementary question, Mr. Speaker, to the same minister. We hear a lot about air traffic controllers. In 1985 there were 1,893 air traffic controllers employed in Canada. On January 1, 1990, there were only 1,500 .That is in a period of time when these people opposite had administration of this government.

Point of Order

In that same report it states that the unsafe conditions that from time to time develop to the point where there is a real risk of collision are cause for continuing concern. Will the minister forgo the 90 day clause in studying these 48 recommendations that CASB has introduced and has said needed the minister's immediate attention? Will the minister implement them as his predecessor implemented very good recommendations made by CASB during his term as Minister of Transport?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I would encourage my hon. friend, who I know is quite serious in his question, not to confuse the 90-day period within which we have to report to the House with the time frame for taking action. Action has been taken on several of those recommendations. We think they were helpful recommendations and we are working to improve safety in the air. I maintain, I repeat, and I assure my friend that the skies are safe.

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INDIAN AFFAIRS

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. The minister will know that the March 31 deadline for the Dene-Métis claims has come and gone. The Dene-Métis chief negotiator was clearly prepared to initial the deal, with the full knowledge that a majority of the Dene-Métis support this claim. However, when the time came, Mr. David Osborne, the federal negotiator refused to have the agreement initialled. Will the minister explain why the federal negotiator has taken this decision after pushing 20 some odd years for completion of this claim?

• (1500)

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I thank the hon. member for the Western Arctic for her question. I want to tell all members of the House how proud we are that the Council of Yukon Indians early yesterday morning was able to conclude an historic agreement, a piece of unfinished business of some 120 years duration.

I think some members of this House can take some pride and some credit for the contribution they made toward this successful outcome. It is a model for the conclusion we seek with all native communities of Canada and in particular the Dene Métis of the western Arctic.

In regard to the specific question of the hon. member, I will be meeting our negotiator later today. I have already undertaken to meet the executive of the Dene Métis. I can tell members of this House that after nine hours over the deadline and having come to a point of hopefully being able to initial some of the substantive elements of the agreement, at that point, at 9 a.m. yesterday morning, a group among the leaders of the Dene Métis said they could not support this agreement. As a result the agreement would not give the certainty that all parties need to ensure final agreement. It was on that basis that our negotiator decided to our great disappointment that this agreement could not be concluded.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, given that it is unlikely that such a deal will ever be able to be renegotiated by the Dene Métis if this claim is taken off the table, will the minister assure the House and the people of the Northwest Territories that this government will not take the Dene Métis claim off the table at least until the Dene Métis have had an opportunity to review, and perhaps approve and initial this agreement at an upcoming Dene Métis joint assembly.

I appeal on behalf of the Dene Métis for another opportunity. Let's not waste the $38 million investment on negotiations to date and an opportunity to do the right thing.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I know that the hon. member for the Western Arctic, the Government of the Northwest Territories, the Dene Métis people, and indeed, all of the people of Canada would want to see this important accord reached. I am sure the hon. member does not want to be pessimistic. I know that she shares the hope that we will successfully find a way to conclude this agreement. Until I am debriefed by the negotiator and have had a chance to discuss these matters further with my colleagues, I cannot make any undertakings as to where this matter might lead.

* * *

POINT OF ORDER

MEMBERSHIP OF COMMITTEE—SPEAKER'S RULING

Mr. Speaker: On March 30, 1990 the hon. member for Kamloops rose on a point of order to express his concern about the procedural acceptability of the finance com-

mittee's report on Bill C–62, the goods and services tax bill.

The hon. member recalled that on March 21, the actions of the chairman of the Standing Committee on Finance, the hon. member for Mississauga South, were raised in the House as a possible breach of privilege. These were dealt with by the Chair in the ruling of March 26.

The hon. member indicated that since the committee's report and evidence was now formally before the House this was the appropriate time to challenge the procedural acceptability of the report which he alleges is based on irregular proceedings.

In his comments the hon. member for Kamloops addressed a number of serious issues. Many other hon. members from both sides of the House also presented strong arguments on different aspects of the situation. As your Speaker, I am aware of the deep concern surrounding this matter and the events which transpired in the finance committee on the night of March 20, 1990.

One side of the House argues that while the opposition has the right to oppose, the government has the right and indeed the responsibility to govern and to advance its legislative agenda. From that perspective the parliamentary secretary to the government House leader contended that the chairman of the finance committee had the obligation to maintain order by ending an opposition filibuster and so permitting the committee to consider and vote on each clause of the bill and to report the bill back to the House as it had been mandated to do.

The other side of the House argues that the majority has the right to govern, but that right is not absolutely unfettered. As the hon. member for Kamloops and others have argued, through the rules it has adopted for the conduct of business, the House itself places certain limitations on the right of the majority and so ensures that the rights of the minority are protected. They contend that certain actions taken by the chairman of the finance committee were in violation of these established rules and that the report of the committee should therefore be ruled procedurally irreceivable thus firmly establishing a precedent whereby committee chairman cannot make arbitrary rulings.

Point of Order

Your Speaker is acutely aware of the sensitive nature of the questions raised by this case and of the message which this ruling will send to other committees, both in this Parliament and future Parliaments.

I ask hon. members to bear with me as I give you the perspective of the Chair on the procedural implications of the case before us.

[*Translation*]

First, a comment which I made in my ruling on March 26 at page 9756 of *Hansard* bears repeating:

> The Speaker has often informed the House that matters and procedural issues that arise in committee ought to be settled in committee unless the committee reports them first to the House. I have, however, said to the House that this practice is not an absolute one and that in very serious and special circumstances the Speaker may have to pronounce on a committee matter without the committee having reported to the House.

[*English*]

For the record I wish to indicate that the finance committee has not reported on an alleged breach of privilege or on some other irregularity. It simply reported Bill C–62 with amendments.

The Chair must again reiterate that under normal circumstances the House is only seized with matters occurring in committees when those matters are reported to the House. I refer hon. members to Citation 76 of Beauchesne's Fifth Edition and to illustrate this practice to the report of the Aboriginal Affairs and Northern Development Committee tabled on April 28, 1987.

However, as I explained on March 26, 1990, the Chair is prepared to deal with extraordinary situations which may occur in committees without a formal report on the occurrence.

First, let us deal with the primary practical issue the Chair is being asked to resolve, namely, whether or not the report of the Standing Committee on Finance on Bill C–62 is receivable. I have carefully reviewed the arguments presented by the hon. member for Kamloops and the comments made by the hon. member for Kingston and The Islands and the hon. member for Edmonton East. I have examined as well a ruling referred to by the Hon. Member for Kamloops, a ruling which was made some 70 years ago pertaining to the authority of the Speaker to go back to the proceedings of a committee in order to judge whether a report is in order. On July 1,

1919, Speaker Rhodes states at page 4313 of *Hansard*, and I quote:

> The point of order as to the proceedings in the committee should be raised in the committee. The House is only seized of the proceedings of the committee from the report that it gets from the committee. There is no reference in the report whatever to any question having been raised in committee. Therefore, my ruling is that it is not competent for this House to go back to the report which is in its possession. The report of the committee is regular on its face. I therefore rule that the point of order is not well taken and that we are governed by the report of the committee as it appears before us.

I reflected at length on the Speaker's right to reach back beyond the report to the House and to the actual proceedings of the committee, and like Speaker Rhodes, I have concluded that it is not competent for the Chair to do so on a report whose regularity is not itself in question. It is important for hon. members and the viewing public to note that none of the complaints raised focus on the report of the committee per se. In the present case no one has complained that the amendments or the bill were not passed on majority votes.

Despite pressing invitations to do so by hon. members aggrieved by the events in the committee, the Chair must resist the temptation to go behind the report and ascertain whether or not other procedures were questionable. This would only invite a deterioration of the long-standing practice that committees are masters of their own proceedings. It would place the Speaker in the untenable position of standing in appeal to any decision of a chairman of standing, special and legislative committees, particularly in cases of high controversy and vigorous political debate like this one. This is not foreseen in our rules nor does our practice anywhere provide such a role for the Speaker. That being said I can only repeat the position I took on March 26.

[*Translation*]

Like the Speaker, a chairman is the servant of the body that elected him or her. The Chairman is accountable to the committee, and that committee should be the usual venue where his or her conduct is pronounced upon.

That is the tradition of the Canadian House of Commons. If I am to respect that tradition, I should therefore avoid any comment on the conduct of the hon. member for Mississauga South and let the committee deal further with the matter if it so desires.

• (1510)

[*English*]

The majority of the committee has decided not to report its dilemma to the House and I cannot substitute my judgment for theirs.

However, on the matter of whether this case constitutes a precedent, I want to be perfectly clear. Norman Wilding and Phillip Laundy's work entitled, *An Encyclopaedia of Parliament*, defines a precedent as:

> A previous decision by the Chair, or a well-established procedure or usage which serves as an authority or guide when a similar point or circumstance arises in Parliament.

In the ruling of March 26, I addressed the question of whether a 1984 incident in the justice and legal affairs committee constituted a precedent in the following manner, and I quote:

> What occurred was the series of events and decisions made by a majority in a committee. Neither this House nor the Speaker gave the incidents any value whatsoever in procedural terms. One must exercise caution in attaching guiding procedural flags to such incidents and happenings.

The same reasoning applies to the present case. The majority of members in a standing committee supported a decision of the chairman. The ensuing controversy which continues to preoccupy the House and your Speaker cannot lead us to describe this incident as a "well established procedure." If the current rules do not adequately provide for the consideration of business, then of course, hon. members know that there are avenues available for reviewing those rules and recommending changes.

* * *

QUESTION OF PRIVILEGE

BUSINESS OF SUPPLY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I gave you notice this morning that I wanted to rise at the earliest opportunity to bring to the attention of the House what I consider to be a very important precedent set here last Friday.

An historical event occurred in the House late in the afternoon on Friday which, in my view, had a serious effect on the privileges of members of the House.

I want to bring forth four arguments which I hope will convince you, Mr. Speaker, of the importance of the incident and possibly the remedy one could envisage or expect to correct the situation.

[*Translation*]

Mr. Speaker, there are four points I wish to raise. First, this question of privilege affects all members of this House. I want Friday's opposition day to be instated because by asking for a quorum, the government breached the rights of members in debate, as far as I am concerned. Second, I not only want reinstatement of the first day of our spring supply period, 10 days that we as the opposition, are given under the Standing Orders to consider supply but I also want reinstatement of the votes to which we are entitled during those periods, since we are starting a new period provided by the government.

Mr. Speaker, in my comments I also want to consider the motion to instate the supply proceedings, a motion that, when moved at the beginning of a session, is not debatable but votable. In this case, we would introduce a new order, and I think I have a pretty good case that will convince the hon. member and the Chair to reinstate the votes. Lastly, I intend to put forward arguments regarding the powers of the committees of Parliament, the committees of this House, which at this moment have, or rather had, votes for consideration—the Estimates that were referred to various committees. This afternoon, for instance, a sub-committee on fitness and amateur sport of the Standing Committee on National Health and Welfare, Social Affairs, Seniors and the Status of Women is supposed to meet at four o'clock. I think it might be better for the committee not to consider the order of reference of this department's Estimates.

What happened Friday? Well, hon. members may have noticed that usually the Order Paper and Notice Paper, under Orders of the Day, contains a heading which reads: "Government Orders—Supply Proceedings. Consideration of the Business of Supply by the President of the Treasury Board ".

Friday, Mr. Speaker, was an opposition day—in the course of the year, the opposition has 25 days to consider a question of its own choosing—but under Government Orders. The government gives us 25 days; last Friday was the first day of the spring period. If it had been Monday the 26th, Mr. Speaker, I would have been a lot happier, because in that case, the government would probably have lost a lot more than just the order of reference or the "Consideration of the Business of Supply". They would have lost the very substantial amounts of money they need for government operations. Better luck next time, as they say.

Friday, the House was considering an opposition motion on the environment. I will read it since I seconded it, Mr. Speaker. The motion concerned the environment and "condemned the government for its lack of sincere commitment to the environment and for its vacuous discussion paper which completely fails to offer the concrete action that Canadians would like to see implemented".

I would refer hon. members to the motion itself which was moved by Ms. Copps of Hamilton and seconded by your humble servant.

So, the debate started in the course of the day, as usual, and there were several points of order, which of course prevented members from speaking to the motion. However, late that afternoon, we moved that the House not adjourn at the usual time but continue to debate the motion beyond the normal time of adjournment. This motion was moved by the hon. member for Chambly.

Since there were not 15 members in the House who objected to the motion, it was carried. Mr. Speaker, we practically had a whole day at our disposal, which meant that members could make speeches on this important motion which, as I said before, dealt with the environment.

At 4.30 p.m. or thereabouts, and I refer hon. members to page 1477 of the *Votes and Proceedings* for Friday, March 30, 1990:

> The attention of the Speaker having been drawn to the want of a quorum.

That was done by the government whip who, I should think, is intelligent enough to know what he was doing—in fact I know he is intelligent. It may be that working with the new leader, the government House leader, he too has developed a one-track mind about putting an end to the debate and muzzling members.

Be that as it may, Mr. Speaker, calling for a quorum meant that members had to be counted. Quorum is at least 20 members, but there were not that many in the House. The bells rang for 15 minutes and still there were only 14 members, Mr. Speaker, including 13 from the

opposition. No government member and no Cabinet minister were there.

Mr. Speaker, I will leave it to the hon. member for Kingston and the Islands to point out that we have now recorded in the *Votes and Proceedings* the fact that none of the Cabinet ministers was in attendance. They were not in the House.

An Hon. Member: Shame.

Mr. Gauthier: Indeed I will let the hon. member for Kingston and the Islands make that point, Mr. Speaker, because he is the one who now and then tries to convince the government that it should always have a minister in the House, particularly on a day when we are debating sypply, or authority for the government to spend money, which is subject to the approval of the House of Commons. After all, the government cannot spend money without the agreement of the House. The government introduces a supply motion in the House and seeks authority to spend money.

I will leave that argument to my colleague from Kingston and the Islands.

Mr. Speaker, I want to get back to the argument about restoring the opposition day.

• (1520)

You know, Mr. Speaker, that Standing Order 67(1)(*p*) provides— Excuse me, I am getting a little ahead of myself.

We ask that the opposition day be restored, Mr. Speaker, because the government itself interrupted debate; the government itself stopped proceedings by asking for a quorum count; the government itself, by not appearing here in the House for the debate or the quorum count, caused them to be too few members in the House to continue the debate.

Mr. Speaker, the purpose of the business of supply, or the budget estimates, is to present Parliament with the government's budget and non-budget proposals for the coming fiscal year. By forcing adjournment of the House and of the debate on the business of supply, the government's chief whip has overridden the Order Paper and Notice Paper. Furthermore, we think that the government whip has prevented consideration of supply for the time being under a motion made in April 1989, you will recall, at the beginning of the second session of this Parliament by the President of the Treasury Board (Mr. de Cotret), who moved, "That the House consider the business of supply—" I will quote the English version of *Hansard* which I have in front of me.

[*English*]

At page 5 of *House of Commons Debates*, April 3, 1989, Business of Supply, moved by Mr. de Cotret, President of the Treasury Board:

> Mr. Speaker, I move, in accordance with Standing Order 81,
>
> That the House at its next sitting consider the business of supply.

The motion was agreed to and then there was a motion to adjourn by the then House Leader.

That is a continuing motion which stands on our *Order Paper* and allows for the supply proceedings which give the government the appropriations it needs to administer the country.

I believe, on the one hand, that the government by invoking quorum lost that item and also by its own doing caused that the day was lost to the opposition and therefore the privileges of all members to debate that motion were, in my view, breached by the government.

I want to refer to *Bourinot's Parliamentary Procedure*, Fourth Edition at page 217 in reference to quorum.

> "(2) Whenever the speaker adjourns the house for want of a quorum, the time of the adjournment and the names of the members then present, shall be inserted in the Journal,"

That has been done, Mr. Speaker. It continues:

> Accordingly when the attention of the Speaker has been called to the fact that there is no quorum present, he will proceed at once to count the house, and if there are not twenty members present, including himself, the clerk will take down the names, and the Speaker will then adjourn the house without a question first put until the usual hour on the next sitting day (m).

It continues at page 218:

> A "count out"—

Which is the quorum call:

> —will always supersede any question that is before the house; and if an order of the day for supply, or for the reading or committal of a bill, be under consideration at the time, and there is no quorum present,—

And I repeat those words: "if an order of the day for supply", which was Friday last, Mr. Speaker, we find that it says in the Order Paper, "Supply Proceedings":

> —the house must be asked at a subsequent sitting to revive the question that may have lapsed in this way (p).

In searching out the precedents one has to go into history because, as I said previously, there is no precedent that I know of with regard to the government's actions of asking for a quorum and nullifying a day of the Opposition and therefore nullifying the supply proceedings.

It is interesting that I found a precedent and I want to remind Your Honour that this deals with a bill, not with a supply motion. There may be a difference. This deals with a supply motion of July 3, 1917 and Sir Robert Borden and Sir Wilfrid Laurier. I want to read from extracts of that debate because I find it most interesting and very enlightening.

There was a debate on a proposed motion by Sir Robert Borden for the second reading of a bill. It was an amendment proposed by Mr. Barrette. The argument reads at page 2877 of *Hansard* of July 3, 1917 that Sir Robert Borden moved, seconded by Mr. Cochrane:

> That the order of the day for "resuming the adjourned debate on the proposed motion of Sir Robert Borden for the second reading of Bill No. 75, an Act respecting Military Service, the amendment of Sir Wilfrid Laurier thereto, and the amendment to the amendment by Mr. Barrette," having lapsed by reason of the House being declared adjourned for want of a quorum on the 29th ultimo, when the said order was under consideration be revived and placed on the Order Paper for consideration this day.

They were trying to correct a similar event in 1917, Mr. Speaker.

Mr. Milliken: Another Tory government.

Mr. Gauthier: Yes, another Tory government.

Mr. Pugsley raised a point of order:

> No notice of this motion has been made by word of mouth, nor does it appear upon the Order Paper that this motion would be moved. I would submit, therefore, that it cannot be passed except by the unanimous consent of the House. I feel myself personally constrained to raise an objection to the motion and to urge that the rules of the House should be adhered to.

It made sense, Mr. Speaker. In order to reinstate that proposal dealing with supply, the government, which forgot to keep a quorum wanted to possibly play games with the House, did not want a quorum to embarrass the members of the House.

On Friday there was no Conservative member present in the House. The Conservatives all disappeared somewhere in the fog. It was snowing outside. There was a heck of a storm. I guess they wanted to get home and they left.

That, Mr. Speaker, is a wilful, knowingly—

An Hon. Member: A dirty trick.

Mr. Gauthier: Yes, a dirty trick. It may be a dirty trick. I think the member is right. It was to embarrass the hon. member who had the floor.

Having been the authors of their own plot to embarrass by calling quorum we are faced with a government led by a House Leader who thinks nothing of imposing closure 35 times since the government came to power.

This is a form of gagging debate, a form of shutting up the members. The government called for a quorum and then members scrammed out of the House to make sure there was not a quorum.

There were 13 members of the opposition and the Speaker in the House. But not one single Tory member, not one, two, or three. Half a dozen would have been enough. They did not show up. They were gone, they were hiding purposely. Therefore, they should be punished. In my opinion, Mr. Speaker, you should rule that that day was lost by their own planning and deed, and therefore should be restored to the House of Commons and to the Opposition. It should be restored to the Liberals because it was our day that was lost.

We will argue to the second point that the government has an obligation to restore the proceedings.

• (1530)

We report to this House through certain arrangements; certain proceedings are in place to make sure that these are orderly. The first job of the Speaker is to maintain order. There are standing committees of the House looking at the Estimates until the end of June. These people, seriously enough, are doing a job for Parliament. They are looking into every department's estimates, making sure that they are clearly and seriously examined by the people of Canada through their elected representatives and also making sure that the government, which has to bring in specific amounts of money

for specific purposes, does not possibly get away with some expenditure which would not be approved by Parliament.

Having said that, we are trying to argue that the House must now be apprised of a procedure, a procedure which I admit has not existed. We looked for a precedent and there was none. There was no time, in my research, that a government under the British parliamentary system voted down, by not being in the House, its own estimates. I cannot find one. I looked all weekend. As a matter of fact, I never read so much Bourinot and other authors. I could not find one example of a government wilfully, knowingly not being in the House to keep quorum on its day and letting the thing lapse. The Estimates have lapsed in our opinion so they have to be restored.

How do you do it, Mr. Speaker? There has to be a motion put to the House to restore what was done by the President of the Treasury Board on April 3, 1989. There has to be a restoration motion for leave that this House at its next sitting consider or continue to sit on the business of supply. I will leave it to the experts as to what the wording should be, but we need a restoration motion.

They will say: "The motion is going to be votable, because all motions have to be put to a vote, and it is not debatable". I want to argue that point. My friend from Kingston and the Islands will also argue, possibly more convincingly than I, because he is a lawyer of great repute and knows the finer points of the law. I would like to make some common sense arguments to this point.

The government has to restore that order and has to bring it into the House, and we in this House will want to debate that motion. Why do I say that we want to debate the motion? Let us go back to Standing Order 81(1) which states:

> At the commencement of each session, the House shall designate, by motion, a continuing Order of the Day for the consideration of the business of supply.

It is common practice that the House is asked to appropriate the funds required to carry on the services and expenditures authorized by Parliament.

We go on to look at Standing Order 81(2).

[*Translation*]

I will read it in French:

> On any day or days appointed for the consideration of any business under the provisions of this Standing Order, that order of business shall have precedence over all other government business in such sitting or sittings.

This is very important, Mr. Speaker. It means that opposition days have precedence over all other government business.

The importance of the business of supply is pointed out in Standing Order 81(2). They are given precedence over all other government business.

The government must give us 25 days a year pursuant to our Standing Orders. It does not have a choice. The day is designated not by us but by the government. We pick the subject but the government appoints the day.

In England, a Friday only counts as half a day as it is too short. Here when we get a Friday, it is considered a regular day of debate. We, on this side of the House, have difficulty finding three or four speakers for an important debate because the government is intent on trying to waste the time of the House.

It is totally unacceptable, Mr. Speaker, that this government is attempting not only to kill the time of the House but also to deprive us of our right to speak in this House. And it is for this reason that you should seriously consider the precedent of giving back to the opposition its allotted day.

Mr. Speaker, I would like to quote a few Standing Orders which, in my opinion, support restoring this item as well as debating the motion proposed by the President of the Treasury Board (Mr. de Cotret).

Mr. Speaker, I bring to your attention Standing Order 67(1) which talks about debatable motions.

The following motions—there are several of them, going from (*a*) to (*p*)—are debatable, and I quote:

> Every motion:
>
> (*a*) standing on the order of proceedings for the day, except as otherwise provided in these Standing Orders;

We know all about these, and I will dispense with them, but I wish to come to the very last type of motion which is debatable:

> (*p*) such other motion, made upon Routine Proceedings, as may be required for the observance of the proprieties of the House, the maintenance of its authority, the appointment——

This is the part which I wish to emphasize:

—or conduct of its officers, the management of its business, the arrangement of its proceedings—

[*English*]

The management of its business, the arrangement of its proceedings, that is the key. The management of its business deals specifically with how we manage our business in this House. We know—it is established—that there are days when the opposition controls the subject matter of the debate. There is a standing order that allows the opposition 25 days.

In today's *Order Paper and Notice Paper*, Mr. Speaker, you will find no supply proceedings, none. They have been taken out. Why? It is because they lost that item on Friday. There are no more supply proceedings. There is no more consideration of the business of supply as moved by the President of the Treasury Board.

That is not orderly conduct. We will not give this government the supply that it requires to administer this country, unless it comes to Parliament, unless it goes to committees, and discusses with us and tells us specifically what it is needed for. There is no more in our Order Paper any supply proceedings. Its members wiped them out completely. In other words, we are going to have a government which will do whatever it likes. We will not accept that.

Having dealt with that point which I think is a convincing one, Mr. Speaker, if you want order, and the standing order is very clear, you must debate. Not only must we know why they did it, we will give them a chance to tell us why they did it on Friday. Why did they walk out on the Parliament of Canada? Why did they walk out on the people of Canada? Why would they not stay in the House here until we adjourned? Why would they not debate the motion that was before us on Friday? That is what we want to know. We will give them a chance to debate that motion in due course. I repeat that Standing Order 67(1)(p) states that this motion is debatable when it concerns the management of the House's business. That I think is convincing enough.

As far as I am concerned they have to restore the motion. We should debate the motion, and we will vote on that motion. In my view those are the three steps that this government must take now, that it has by its own incompetence failed to follow the normal procedure of keeping in the House a sufficient number of members to debate important issues.

Mr. Barrett: I hope it is just incompetence.

Mr. Gauthier: I will not impute motives, but I do think that there was an element of incompetence in there.

My fourth point deals with the committees. At the beginning of February the committees of the House received what we call the blue book, the Estimates. These estimates are chapter and verse the expenditure plans of the government and are sent to committees for perusal and study. We have a great number of committees which sit. As I said previously, we had one at four o'clock that would meet on the Estimates put to it by the Department of National Health and Welfare.

• (1540)

I submit to you that since we have at this time no supply proceedings in the House we could hardly have supply proceedings before committees.

Mr. Milliken: Or anywhere else.

Mr. Gauthier: Or anywhere else, for that matter. Having said that, I would like to ask you again, Mr. Speaker, to put out a directive to committees that until the Estimates have been restored by the government and the consideration of the business of supply has been put back on our Order Paper as an important part of our proceedings, then it is in my view absolutely contrary to practice that the committees sit on Estimates which do not exist, unless they want to talk about something else.

They cannot, in my view, talk about Estimates without having to explain how they can argue they are before the House and therefore "we do not mind that because we had them before and there was a reference made some months ago and we will go on that". It was not any of our doing. It was the doing of the government itself that ruined the day for committees, ruined the day for Parliament, and ruined the day for all of us who believe that the environment is an important subject.

I could go on for some time explaining to you, Mr. Speaker, and reviewing the precedents in Beauchesne's, Erskine May and Bourinot, but I know you would not want me to continue. There are members in the House who want to add to the debate today and bring out some other points. Having said that, I want to make it clear that in our view the order for reconsideration, reinstalla-

tion, or restoration of the Estimates and supply has to be made.

[*Translation*]

—time presses, Mr. Speaker! Time presses, because this government which is well-known for its procrastination and foot dragging on a great many issues could wait a long time. I should like to make the point that if this was a minority government, it would be compelled to go to the people on this issue. It would be compelled to go to the people on this issue because it would have lost the confidence of—

Mr. Barrett: Today!

Mr. Gauthier: Yes, today! It would be compelled to go to the people today because a minority government, when faced with a situation such as this, would have no choice but to go to the people and ask them to confirm its mandate, because the incompetence of this move is absolutely historical. Well, if there is one thing which we have retained from the British system of Parliament, it is that the people will accept to pay taxes only if they can examine on what the money will be spent. And that is what we are dealing with today. We are dealing with the whole system of monitoring government spending, a time-honoured and well-established system which I feel, on the basis of my research, had never been foiled before as it is now by such an incompetent government.

Mr. Speaker, I submit to you that it is important, in my opinion, firstly to restore Opposition days, and secondly to restore the votes. Perhaps I should comment on this, because you ruled last week that, as the Opposition, we had no more vote until the end of June. As this will be an altogether new period, perhaps the government should be penalized and compelled to vote on an Opposition motion blaming it for its incompetence and inability to properly conduct the business of the House.

Third, Mr. Speaker, I suggest that the motion should be debated in the House because it deals with the organization of our business. And fourth, I suggest that Parliamentary committees which are sitting today should not deal with the Estimates before them as long as the business of supply has not been restored.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I listened with interest to my colleague, the hon. member for Ottawa—Vanier, and I support very strongly the points that he made in a very thoughtful presentation.

Like many others, I was surprised this morning when we noticed on the Notice Paper that there was no notice of motion. Having totally botched up Friday, we at least thought the government, perhaps, was setting up for a prorogation. Of course, we recognize that the motion we were debating is introduced at the beginning of the session of Parliament and, if the government had decided to abandon the motion, was this a sign that the government was intending to prorogue and start all over? That of course would be the easy way out of this dilemma, but assuming that that might not be the case, with the government at 17 per cent in the polls, we thought then that the government would move a notice that it would be reintroducing the motion.

My hon. friend from Ottawa—Vanier said that he searched around for precedents and was unable to find one. The closest I could come was going back to Bourinot's, fourth edition, on page 422, where it stated:

> If the order of the House to go into committee of supply should become "a lapsed order" in consequence of "a count out," it will be necessary to revive it by giving notice of a motion for that purpose. In 1877, the committee in the English Commons lapsed in this way, and the leader of the government subsequently gave notice of a motion to set it up in the usual words—"That this House will on—resolve itself—"

In other words, back in 1877 was the last time this fiasco occurred.

Just to put what we are talking about into some context, on Friday we were debating on a government day of supply. It was the government's day, and when we are dealing with supply it is expected, based on usual convention, that the government will keep a sufficient number of members in the Chamber so that we will at least have a quorum.

During the time when points were being raised by hon. members on the issue on which you have just ruled, Mr. Speaker, in terms of the inadmissibility of the finance committee's report, government members from time to time stood up and indicated they were anxious to conclude these representations to get on with what they described as one of the more important issues of the day. We concur that on environmental issues, I do not

suppose we could choose a more appropriate day to debate a topic, and we should be doing a lot more of that. So the government indicated it was anxious to get into the debate.

The hon. member for Chambly suggested that we extend the hours to allow more members a chance to speak on a topic that you would have enjoyed being part of yourself, Mr. Speaker, if you were sitting in the House and able to participate in this very appropriate debate where some eloquent and useful speeches were made. Lo and behold, out of the blue comes the government Whip calling for a quorum. The result was that we signed at the table. There were six Liberals and six New Democrats. This was a Liberal opposition day and there were no Conservatives, except the Speaker who signed in. As a result the whole matter collapsed.

We were surprised at that time. I remember discussions being carried on as to what this meant, because it had not happened before that on a government supply day the government decided to curtail debate prematurely. The government was in a sense superseding the order of the day, the consideration of supply. The House is no longer giving consideration to giving the government money. What the government did was no accident. It was a determined effort to conclude the day prematurely.

Mr. Milliken: To gag the opposition.

Mr. Riis: We can talk about gagging the opposition. We have seen enough of this with 34 closures of one kind or another. We could not believe on this issue that we would see this because of the implications. It is not that we are surprised at some use of closure. This unfortunately has now become a pattern, but the fact is that this would completely offset the whole government program of supply. I believe this is a question of confidence, a question of privilege as my friend, the hon. member for Ottawa—Vanier, indicated. It certainly demonstrates a lack of competence on the part of the government.

• (1550)

What do we do? Can the question that we expected on the Order Paper today be put again? The convention of this House is that the same questions cannot be put continuously. At the beginning of the session on April 3, 1989 the question was put and it stated:

> That the House at its next sitting consider the business of supply.

That motion no longer stands. Can we reinstate it and go back and readdress ourselves to the same motion? The convention of this House is that that is not the usual procedure. That is why I say perhaps prorogation is the most obvious answer to this dilemma.

I simply want to add our support to the very thoughtful points put forward by the hon. member from Vanier. There are further points that other members want to add. I simply want to summarize by asking these questions. Is it possible that the same question can be put twice in one session of Parliament? Is it not the responsibility of the government for maintaining quorum when we are dealing with government supply? It seems to me that those two matters are pretty straightforward and should not be abused in the rather silly and trivial way that we saw here last Friday.

I do want to suggest that at this point the House has lost its prime role, and that is the granting of supply. What is our role in this procedure now? We have no motion before us and if, Mr. Speaker, you allow the government to put the motion which it should have put today, if it was going to, then at least we should debate that motion and we should vote on that motion. There is no question of that in my mind.

I can only assume that the government did not know what it was doing on Friday and has been caught in a very embarrassing situation. Its incompetence is obvious. The precedents are simply unavailable unless we go back to the 1877 precedent in Westminster, which indicates just how sloppy the government has been in dealing with its business.

If the government is not prepared to consider prorogation, then I say we look forward to debating the motion when it comes forward again. We would hope that the government would not simply try to slip it through without debate, as we did at the beginning of the session, because now the whole terms of reference of how we proceed with government supply obviously has been dramatically changed.

Privilege

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, in keeping with the real intent here, the opposition has succeeded in wasting 52 minutes of the House's time. I will not waste a lot of time, but I think it is useful to put the events of Friday in a little perspective. Indeed it was an allotted day. Indeed it was an opposition day. It started at ten o'clock on Friday with an hour's debate interrupted for Question Period and Routine Proceedings.

At twelve o'clock, the New Democratic Party raised a point of order to which the Chair ruled early, a point of order that had no merit, as the Chair pointed out, but a point of order through which its members managed to waste two hours of time. It being an opposition day, there was some concern expressed about the fact that two hours out of a four-hour debate on Friday basically halved the time allotted to the Liberal Party for its very important motion.

We discussed on this side whether in fact we might extend hours to recover those two hours for the Liberal Party. In fact, it turned out that the New Democratic Party extended the hours, something that we could have stopped with 15 members and we did not. Given that two hours of the Liberal's opposition day was wasted by the New Democrats, recovering those two hours from three o'clock until five o'clock seemed appropriate.

At five o'clock, two hours after the normal hour of adjournment, when people have made other plans to go home, including the staff here and so on, my colleague, the Whip, raised a quorum count. I heard earlier about how vitally committed and involved all opposition were in this issue, yet they did not have sufficient members here to reflect that vitality. I heard my colleague, the member for Ottawa—Vanier, say that he wants a little common sense here in terms of what approach. Let us look at what happened on Friday. The Liberal Party, which was due four hours of debate on its motion, received four hours of debate on its motion. The effect of having the two hours at the end rather than at the appropriate time made a little difference: there would be a little more overtime, a little more costly for the taxpayers to handle it that way but perhaps not unreasonable for the Liberal Party to get what was due it in view of the games the New Democratic Party was playing.

To suggest somehow that a great robbery was committed flies in the face of what happened. The opposition was due four hours of debate on a non-votable motion. That is exactly what it received. There was no one deprived of any right whatsoever, except perhaps some members of the staff were deprived of the right to complete their day a little earlier than they did. Even then approaches were made to ask how long did they wanted to debate. The leader of the New Democratic Party said that they had several speakers who were anxious, implying that they would run until exhaustion.

I maintain that the actions of our Whip were in fact very responsible. The day came out as it was planned. There were four hours of debate on the motion of the Liberal Party. It was terminated at a reasonable time so that the overtime bill of the House of Commons was not too extensive and the staff and members were able to go home.

Now the question comes. That is common sense, common sense says you look at it: no damage was done to anybody. In fact people were made whole as a result of the damage potentially inflicted on that day by the New Democratic Party point of order.

However, let us look in fact at the substance in terms of precedents. Beauchesne's sixth edition, citation 287, reflects the Bourinot's citation that the House leader of the Liberal Party raised and refers to a quorum call by stating:

> A "count-out" will always supersede any question that is before the House. If an Order of the Day for the reading or committal of a bill be under consideration at the time, and there is no quorum present, the House must be asked at a subsequent sitting to revive the question that may have lapsed in the way.

It is very clear. The precedent is there. It is no big deal.

Mr. Milliken: This is not a bill. That says "a bill".

Mr. Andre: Or motion.

Mr. Milliken: A bill. Read it.

Mr. Andre: It is the same thing.

Mr. Gauthier: No, there is a difference.

Mr. Andre: It is the same thing, and at the point of motions today I intend to move in fact that the order for consideration of business supply be reinstated, as provided in the Standing Orders. Nothing has happened to the government of this country. No one has been denied a cheque. Nothing has happened. On Friday, after a four-hour opposition day, terminated by quorum because the New Democrats would not act responsibly and

say when it might be, we used the only vehicle available. Otherwise we would have been faced with another waste of time and money for the public.

Mr. Barrett: You have other means.

Mr. Andre: There is that former premier over there barking about decorum and how to operate in this House. He should tell; I think you should get your pillow and blanket and have another nap.

Mr. Barrett: That's fine. You should read the rules.

Mr. Andre: The question implied was that somehow between Friday at five o'clock and this time today, because the motion is not there on the Order Paper, something terrible has happened. Somehow people are not getting paid or what have you. I would remind the House of one precedent when the Liberal government of the day introduced a Throne Speech on October 23, 1969 and did not put the business of supply on the Order Paper until nine sitting days later, so for nine sitting days the business of supply was not on the Order Paper.

I do not recall what horrible things happened during that period, but given that there will not be even one sitting day, provided of course we get to motions this day—and if we do not then there will be one sitting day, but so what—nothing will have happened. In reality the citations of Beauchesne and the citations from Bourinot that were raised clearly point out that all that needs to happen is a restoration of the motion.

• (1600)

We have the previous precedent where a Liberal government operated for nine sitting days without such a motion on the paper. What happened on Friday was that a four hour opposition day for the Liberal party really happened. They got all of the time they would have had on a normal day without the shenanigans that went on. Given all of that, I see no reason why in fact we cannot proceed in an orderly, expeditious way with the rest of the business this day. Hopefully in future we can decide matters of House business in a more civilized, mature manner, rather than this kind of ongoing guerrilla warfare, which benefits nobody I might add.

Mr. Speaker: I will give some indication of how I want to proceed.

The hon. member for Kingston and the Islands, I think, has a point to make. I think the hon. member for Ottawa—Vanier referred to his desire to raise on one aspect of the argument. I will hear him shortly.

Mr. Peter Milliken (Kingston and the Islands): Your Honour, the two issues I wanted to deal with are specifically the question of attendance in the House on Friday afternoon and, second, the issue of whether or not the motion that the government House leader indicates he would like to propose, that is to revive the business of supply on the Order Paper, is debatable.

If I could deal with the first. I think I have cited to Your Honour previously the relevant provisions in Bourinot dealing with the business of supply and its importance in dealing with the business of the House of Commons. I quote again from the fourth edition, page 415:

> One of the principal purposes of the House of Commons is the consideration and criticism of the estimates and the taxes required to meet the public expenditures and the committees of supply and ways and means are the parliamentary machinery through which the house chiefly exercises these political and constitutional functions.

As I have indicated, although the words have changed and we no longer have a committee of supply, nevertheless the business of supply as established under Standing Order 81(1) is one of the principal businesses of the House of Commons of Canada, and that is still the case.

What we have here is a situation where the government, having commenced the business of supply this session, on April 3 as indicated in the speech by my friend from Ottawa—Vanier, has now lost the business of supply. It has fumbled the ball on the principal item of government business. It all amounts to an absolute scandal and, frankly, I suggest an abuse of the process of this House.

I want to turn to the situation that existed on Friday afternoon. I know that Your Honour will be aware, no doubt, that frequently in the course of this session and indeed throughout this Parliament, I have stood on questions of privilege or points of order to point out the fact that during debate on government business, members of the government are absent in their entirety from this House.

There are 38 or 39 cabinet ministers who sit in this House of Commons. I have raised at least 15 times the number of times that members of the government have failed to attend to their business in this House during a discussion of government business. I did not want to go back through the *Hansards* and root out all the dates and pages, but I could if Your Honour would like to have that list.

I know that the Deputy Chairman of Committees of the Whole is appalled. Quite often when I raise this, he says that it is not fair to comment on the presence or absence of members from this House. Well, on Friday, we have a record of who was here.

Mr. Andre: After the normal hour of adjournment.

Mr. Milliken: While the House was still sitting, discussing government business, the following members whose names were taken down as being present, were said to be present. I read from the *Votes and Proceedings* for Friday: Mr. Paproski, Messrs. Anawak, Assad, Barrett, Benjamin and Boudria; Ms. Clancy, Messrs. Edmonston, Gauthier, LeBlanc (Cape Breton Highlands—Canso), MacWilliam, McCurdy, Murphy and Riis.

Mr. Gauthier: Not one single minister.

Mr. Andre: How about Milliken?

Mr. Milliken: Mr. Milliken was not here at that time.

Mr. Gauthier: I sent him home, because he had to go to Kingston. He had to drive in a storm.

Mr. Andre: Everybody else has to stay here.

An Hon. Member: That is right, he sat at home—

Mr. Speaker: It has been very well explained to the Chair what happened. I do not know that there is anything more to be gained, in terms of argument, going over the members who were or were not here at the time.

Mr. Milliken: Mr. Speaker, what I am trying to point out is that the points of order I have been raising on these occasions in fact have additional validity because on Friday we have a record of the fact that not a single minister of the Crown was present during a discussion of government business. I am told it is out of order to raise that point in the course of debate and yet here we have a recorded note in the *Votes and Proceedings* of this House, it will go in the *Journals*, that there was not a single minister of the Crown present during the discussion of government business. I say to Your Honour that that in itself constitutes a contempt of the House and it is a continuing contempt unlike the one that was used as a gimmick by the chief Government Whip.

What is the Whip's function? It is to ensure that members attend the House. That is the Whip's principal function and on Friday afternoon we had the spectacle of the government Whip rising in this House and saying that he did not see a quorum. Was he here for the quorum count? Where did he go? Did he go out in the snowstorm and get lost? He disappeared in the 15 minutes the bells rang. He disappeared. I suggest, Your Honour, that he had a duty to be here and to be counted as part of that quorum.

The fact is, Mr. Speaker, that the government has used this quorum rule in the course of its own business, in its discussion of the most important single item of business it has to deal with in this House, the business of supply, which it treats with such contempt I may say, to then use those rules to advantage to try to cut off opposition debate. I say to you, Mr. Speaker, it is an unfair form of closure. It is a misuse and misapplication of those rules.

I want to turn, Sir, to the question of reinstatement because as my friend from Ottawa—Vanier has argued, the government now must move to reinstate this, failing which I suggest the proper course is for the government to prorogue this session and start off with a new Speech from the Throne. I could give the government House leader a bit of friendly advice, and that is that he include in this Speech from the Throne a request for supply since there was not one in the last Speech from the Throne. He may have heard me argue that last April.

While Your Honour held that it was not a requirement in that speech, I suggest Your Honour may have considered the fact that this House had already adopted a motion at that time for the consideration of the business of supply because that motion, as my friend from Ottawa—Vanier has pointed out, was carried on April 3, 1989.

That motion has been lost. I suggest that perhaps Your Honour would want to look at the possibility of reviving the business of supply in this House in light of the fact that there was no request for supply in the Speech from the Throne at the beginning of the session. I invite Your Honour to take another look at that particular item in light of the fact that this business of supply has now been lost and there is not a continuing item or order of the day

for consideration of the business of supply on the Order Paper.

The rule respecting debatable acceptability of motions is found in Standing Order 67(1)(p), as my friend from Ottawa—Vanier has already indicated. The words of the Standing Order are clear:

> 67.(1) The following motions are debatable:
>
> (p) such other motion, made upon Routine Proceedings, as may be required for the observance of the proprieties of the House, the maintenance of its authority, the appointment or conduct of its officers, the management of its business,—

And the business of supply I submit, Your Honour, is a principal business of this House:

> —the arrangement of its proceedings, the correctness of its records, the fixing of its sitting days or the times of its meeting or adjournment.

Mr. Speaker, I realize that in the precedent, cited by my friend from Ottawa—Vanier, in 1917 in the course of the argument being advanced by the then hon. member for Saint John, the Speaker indicated that the motion to reinstate this particular bill on the Order Paper does not "permit of debate". But I suggest to Your Honour that that matter was not argued before the Speaker at that time. He simply made the ruling in the course of argument. He did not hear argument on that point. He simply made the statement. I suggest that it is not a good precedent for dealing with this item.

I would acknowledge that at the beginning of a session the motion for designating an order for the business of supply is not normally debated, but under Standing Order 67(1)(p) I submit that it is a matter now, if it was not before, of management of the House business because the government is changing that motion. It has botched the business. It now has to reinstitute that business.

• (1610)

I suggest, therefore, this motion is debatable, and I hope when the government House leader moves it, he will afford us the opportunity to debate the motion before it is put to a vote in this House. I submit that the provisions of Standing Order 67, which specify which motions are to be debatable, clearly cover this situation. I invite Your Honour to so rule.

I should also say in my submission that the government has, as indicated by my hon. friend from Ottawa—Vanier, blundered by its use of this quorum rule. It ought not to have proceeded in the way that it has. As a result, in my submission, it has lost the Opposition Day that was held, since the matter was not closed off and the motion was not determined.

That debate also, when the motion for reinstatement of the business of supply, if adopted by this House—I would not want to presume that because perhaps the Conservative members may not be here for that vote either—if it does not carry, I would invite Your Honour to put the motion that was under discussion on Friday and which was not adjourned back on the Order Paper under the business of supply as another Opposition Day so that we can proceed to discuss again that motion concerning the environment.

Perhaps on this occasion, the Minister of the Environment could be present to discuss that very important motion along with some of the other ministers of the Crown who were so conspicuously absent on Friday afternoon.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I intend to be brief, but I want to be clear on events as I recall them.

I was present that day, and I am one of those who has his name on the sheet that is signed—a memorable occasion it was, indeed. Perhaps it will not happen for another 100 years. It was remarkable. It was even more remarkable to hear the government House leader's comments suggesting that the government was magnanimous in granting more time because it believed a part of the opposition was wasting time.

When my colleague, the member for Chambly, made the motion to extend the hours, government members argued against his motion but did not have enough members here to stop his motion from passing. So the House leader's attempt to rewrite history is not only futile, but it compounds the government's embarrassment. Far be it from me to contribute to that. What the government could have done, simply and in order, was to have any one of their back-benchers or the Whip stand up in his place during that debate and move adjournment of that debate.

Then the government could have trotted out its members, supported its own motion, ended the opposition's debate if it determined it was a filibuster, or for whatever reason, and we would have been out of here with no mess. What happened was that the government members were not in attendance to the House in sufficient numbers to stop the opposition from doing anything it wanted.

What would the government have done if the opposition had taken advantage of it, called its troops back in and kept the place going all weekend, or moved its own motion? Lord knows, you were no longer capable of running the place.

I want to point out Standing Order 15—

Mr. Andre: Is this relevant?

Mr. Barrett: Standing Order 15 is relevant.

Mr. Speaker: Standing Order 15 may be. I would like to hear about it.

Mr. Barrett: Mr. Speaker, I want to be specific, and I was moving as quickly as I could to be specific.

Standing Order 15 commands the members to be in attendance in this Chamber. My colleague, the member for Kingston and the Islands, pointed out that the government Whip came in, called for a quorum count and then departed. He initiated the action. He initiated the call for the quorum, then we never saw him again.

So, Mr. Speaker, I ask for your ruling on whether or not, under Standing Order 15, a member who initiates a call for a quorum should attend to respond to his own initiative. He did not. We were shocked. I was shocked.

I have witnessed a lot of bizarre things in my life in the chambers that I have sat in, but I have never witnessed the disappearance—

Some Hon. Members: Oh, oh!

Mr. Andre: I am sure you have.

Mr. Speaker: Just a moment. I am listening to the hon. member, but is that any more unusual, really, than on a Private Members' Bill, insistence on a vote and then people not showing up to vote for it? It seems to me that it falls into the realm of tactics, and what is sauce for the goose is sauce for the gander, I suppose.

Mr. Barrett: Mr. Speaker, I am thankful for your intervention with that proposition. Certainly, what is sauce for the goose is sauce for the gander, but we have no precedent for a call on quorum. None.

If one thought that the government had actually thought out what it is was doing—and I hope to goodness it had done it by accident—it was using quorum deliberately as another form of closure and that is shocking. I do not want to make that accusation but if you carry the analogy as you suggest, Mr. Speaker, quorum is different. Quorum means cessation of the sitting for the day and that is what happened.

I also point out clearly that if the government in its wisdom had wanted to close it there was nothing in the rules to stop it from moving adjournment of that debate.

I want to address myself very briefly to the argument proposed by the other members about the end of the supply motion. I understand the quandary, but for the life of me, to witness the government House leader suggesting that he can just come into the Chamber and wave another supply motion, as if somehow he can pull another supply motion out of the thin blue air—or thick blue air, considering it is Tory air—is incomprehensible.

My colleagues suggest we need a prorogation. That is up to the Chair to decide. One of my colleagues suggests we need another Throne Speech. That is up to the Chair to decide. It is up to the Chair to decide a whole range of things, but for the government House leader to come in and say he can simply trip a little supply motion in again because they messed it up on Friday is absurd.

If there is a method to bring supply back in, I am sure in your wisdom, Sir, you will find it. We must understand that to keep form and precedent we must lose a day. We must reinstate the day lost to my colleagues in the Liberal party. We must debate the supply motion again. The government House leader may want to work out a deal. Sometimes these things happen in Parliament.

I have known them to happen on occasion. The House has no knowledge of those things. If the governments wants to do that, that is fair enough, but for the life of me I cannot see how the government can ask us to rewrite the rules when it threw away everything by

calling quorum on Friday. It deliberately did not show up.

Mr. Cooper: And you did, in great hordes.

Mr. Barrett: Well, Mr. Speaker, can you imagine explaining this to anybody outside? The government is prepared to govern but it is not prepared. I think I have made my point.

Mr. Speaker: I think trying to explain this to anybody outside will be somewhat difficult. I accept the hon. member's admonishment.

I have listened to argument. We have one precedent. That is the only one I have been able to find in listening to the arguments. During this afternoon I am going to have to look at it. I think I can return with a ruling on all these points by tomorrow morning, but it is going to take a little time. Accordingly, I will reserve.

Mr. Barrett: I rise on a point of order, Mr. Speaker. On the basis of your reservation, you would not entertain a motion of supply, would you, until you have made your decision?

Mr. Speaker: We are going to proceed to Routine Proceedings. I will see what will happen at that time.

ROUTINE PROCEEDINGS

• (1620)

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Government House Leader): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's responses to 84 petitions.

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

* * *

HAZARDOUS PRODUCTS ACT

MEASURE TO AMEND

Mr. Nelson A. Riis (Kamloops) moved for leave to introduce Bill C-293, an act to amend the Hazardous Products Act (expanded polystyrene container).

Mr. Speaker: Is it the pleasure of the House that the hon. member shall have leave to introduce the bill?

Some Hon. Members: Agreed.

Mr. Riis: Mr. Speaker, first of all I want to thank one of the parliamentary interns, Mr. Denis St. Martin, for his assistance in preparing this private members' bill.

The purpose of the bill is to prohibit in any building of the Government of Canada the use of containers made in whole or in part of expanded polystyrene, which I guess is the fancy name for foam cups or foam eating utensils and so on.

The reason for this is twofold: One, of course, is the CFCs and their relationship to global warming and the ozone shield, but perhaps more important is the matter of waste disposal. You are well aware, Mr. Speaker, that Canada is one of the world's most wasteful countries when it comes to municipal waste and the treatment of that waste. I believe this would go a long way in terms of a model where the Government of Canada would take the initiative and prohibit the use of foam cups as one way to keep down the voluminous landfills that we are struggling with in almost every municipality in the country.

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

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

MEASURE TO CHANGE NAME OF CONSTITUENCY

Mr. Harry Chadwick (Brampton—Malton) moved for leave to introduce Bill C-294, an act to change the name of the Electoral District of Brampton—Malton.

Mr. Speaker: Shall the hon. member have leave to introduce the said bill?

Some Hon. Members: Agreed.

Mr. Chadwick: Mr. Speaker, I rise in this House today to introduce a private members' bill. The purpose of this bill is to change the name of the electoral district of Brampton—Malton to better reflect the communities that make up that district. Should the bill pass, the name of Brampton—Malton would become Bramalea—Gore—Malton. Motion agreed to, bill read the first time and ordered to be printed.

Routine Proceedings

SUPPLY

REDESIGNATION OF MOTION

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): As indicated previously, Mr. Speaker, my intention at this point in time is to move to restore the business of supply by way of a motion. I move:

> That a continuing Order for the Day for the consideration of business of Supply in the name of the President of the Treasury Board be redesignated.

I heard your admonition, Mr. Speaker, in terms of seeking time to judge on the question of privilege, as I understood it when it was first raised. If it were a point of order, it should not have been heard at the time it was heard. Normally, a point of order about this thing should only be heard when the position is made. It was raised as a question of privilege prior to the commencement of Routine Proceedings and I do not know how the orderliness of this comes to bear on a question of privilege that was raised.

Mr. Riis: Are you on a point of order?

Mr. Andre: Mr. Speaker, having gone through almost an hour and a half in terms of a question of privilege and what privileges were hurt by this, in view of your admonition I certainly would delay for a day, acknowledging though, that on this basis, committees of the House will not be able to sit, whereas they could, in considering estimates. People who have made plans and tried to be accommodating will have those plans disrupted—

Mr. Milliken: Because of your bungling.

Mr. Andre: —and there may be an unnecessary waste of taxpayer's funds. But if in fact that is desirable, I would await your judgment.

Mr. Milliken: You should have thought of that Friday afternoon when you pulled your troops.

Mr. Andre: There is the hon. member for Kingston and The Islands again saying that after extended hours into the evening, when he is back in Kingston everybody else should be here.

Mr. Speaker: We have heard argument and there was perhaps some re-argument there. The hon. minister is letting his motion stand. I have indicated to hon. members that there were complicated and novel arguments put forward. I think I will be able to be here certainly by the opening of House business tomorrow to make a ruling and I think that is where the matter should remain.

Mr. Andre: Mr. Speaker, if I may, just one other matter very quickly. I do not want to cloud this particular point.

I would not like to see remain as a precedent the situation where a point of order could be as anticipatory as this one, if in fact it was a point of order. The House leader of the Liberal party rose on a question of privilege as I heard him. A question of privilege must be raised at a particular time.

Can you, under a question of privilege, argue a point of order and thereby anticipate something that might happen later on, which seems to have happened here. They seem to have argued a point of order. We are waiting for a judgment. That has precluded me from commencing that which I could have commenced if in fact the motion might be put and it's having dealt with might have been challenged on a point of order.

Now we have this situation. We are into a season where, until we get our Easter break, we are likely to see more of this. I would like to make the point that I will object in future if this process is to be viewed as some sort of precedent for again wasting the time of the House.

Mr. Gauthier: Point of order, Mr. Speaker. You have been well known to give equal time to the opposition. Stick around, Mr. Minister, I have a few things to tell you.

Mr. Andre: I listened for 45 minutes. I am late for a bunch of appointments.

Some Hon. Members: Oh, oh!

Mr. Speaker: I do not want to re-argue the point.

Mr. Gauthier: I do not want to re-argue the point, but I want to make a couple of points about those that have been made by the government House leader, before he walked out of here, which I do not think should stand unchallenged.

First of all, I did raise a question of privilege in this House. The privilege of the members of the House in debate, in my view, and I argued that point maybe not as eloquently as I should have, but I did my best to make the point that our privileges had indeed been infringed in debate on Friday when the government, by its own wilful and negligent incompetence, did something to prevent members of this House who had not spoken in debate, who signed the book but wanted to speak in debate. It

prevented them from speaking. I think that is contemptuous of the House.

The government House leader should be in his office right now looking at TV. I want to make sure that there is remedial action taken to prevent that bunch of incompetents from repeating the same thing. If he is going to call members of the House all kinds of names, he can be called an incompetent also. The government has incinerated its own supply day. It went up the chimney like smoke and ashes. Members of the government have ashes all over their faces right now, as far as I am concerned.

• (1630)

Mr. Riis: Mr. Speaker, I seek some clarification. The government House leader put the motion. Can you describe for us the status of that motion at the moment, in your mind?

Mr. Speaker: I do not think the motion is in front of us. He made it quite clear, given the admonition I gave before, that he was co–operating with the Chair.

Mr. Barrett: Mr. Speaker, I rise on the same point of order.

Are the committees no longer valid for today since the supply motion is not in front of us?

Mr. Speaker: I am not going to rule on that right now. I think that is a matter committee chairpersons will have to take into account.

I am making it very clear that I am not ruling on that at the moment. It goes to the very points that I have undertaken to look at very carefully tonight and return to the House tomorrow.

* * *

[*Translation*]

PETITIONS

REQUEST FOR ROYAL PARDON FOR ANNETTE PROULX

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, I tabled last week in this House a petition signed by more than 8,000 people. I am tabling today another petition from another 8,000 or so people asking that royal clemency be granted immediately to Annette Proulx. It is clear in my mind and in that of all Canadians

that this old lady who has spent the last 11 years in prison has paid her debt to society, that she is no threat to society and that she has suffered enough.

I therefore urge my colleagues in this House to support my request, and my colleagues from the Privy Council who are members of the inner committee that will decide on this case to let their heart speak and grant Mrs. Annette Proulx the royal pardon she has requested.

[*English*]

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is indeed an honour and a pleasure to present a petition pursuant to Standing Order 36. It is from all the members of the Kamloops and District Labour Council who have signed a petition in opposition to the goods and services tax.

They point out in some detail that any tax that taxes everything from coffins, to diapers, to home heating fuels, to haircuts, to books, periodicals, magazines and newspapers ought not to proceed. They are asking the Parliament of Canada to do whatever is possible to bring the government to its senses and to go back to the drawingboard and start all over with something that is meaningful and fair.

CHILDREN'S BILL OF RIGHTS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have another petition to present on another matter.

The petitioners point out to us that one–sixth of all Canadian children live in poverty and that although the over–all child population has fallen by almost 4 per cent, the number of children living in poverty has actually increased by 13.4 per cent between 1980 and 1986.

The petitioners are asking members to support motion M–254 which proposed a comprehensive bill of rights for children. In a sense, this petition is now outdated because the government voted against having a bill of rights for children in Canada.

[*Translation*]

TAX BENEFITS FOR NORTHERN AND ISOLATED AREAS

Mr. Guy Saint–Julien (Abitibi): Madam Speaker, pursuant to Standing Order 36, I rise today to present a petition from Lebel–sur–Quévillon, in the province of

Quebec, further to the recommendations of the task force on tax benefits for northern and isolated areas.

Lebel-sur-Quévillon is undoubtedly an isolated community. Thus, the petitioners consider the Brunelle recommendation unfair, discriminatory and inefficient for the purpose of the northern tax benefits plan. It encourages neither settlement nor resource development in the North.

[*English*]

CANADIAN CENTRE FOR OCCUPATIONAL HEALTH AND SAFETY

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Madam Speaker, I rise under the provisions of Standing Order 36 to present a petition objecting to the government's plan to scuttle or privatize the Canadian Centre for Occupational Health and Safety.

The petitioners point out that the CCOHS has achieved an unrivalled international reputation as Canada's national centre for workplace health and safety. They point out further that CCOHS has provided high quality, impartial and free information on health and safety matters to the Canadian public for the past 10 years.

The petitioners humbly pray and call upon Parliament to restore the position and status of CCOHS as it was at the beginning of 1988 according to the statute, and to reverse any moves that detract from the status of the centre as a public corporation with objects spelled out in Section 5 of the Canadian Centre for Occupational Health and Safety Act.

The petition is signed by some 59 persons from the provinces of Quebec and Ontario. Appended to it are the signatures of a further 13,552 people from right across Canada.

VIOLENT CRIMES

Mr. Harry Chadwick (Brampton—Malton): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition with approximately 1,000 names on it. The petitioners call on the government to pass legislation establishing mandatory minimum sentences for all violent crimes which would apply uniformly to all regions of Canada.

GOODS AND SERVICES TAX

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I have the duty and honour to present a petition today from residents of the central interior of British Columbia who are concerned about the grief and suffering tax, as it is known in B.C. They are calling on the government not to proceed with the measure and to bring in a fair tax.

I know they join with me in wishing that the federal and the B.C. finance ministers would come clean on the secret meetings that they have been having on trying to find a way to implement the GST.

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, in accordance with Standing Order 36 I have a petition to present. It is from a couple of hundred of my constituents, who object to the government's attempt for the first time in our history to impose a tax on books and print materials, therefore putting up a barrier to the accessibility of the printed word, one of the cornerstones of our democratic way of life.

I am pleased to present this petition on behalf of my constituents, these Canadian citizens.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Government House Leader): Madam Speaker, question No. 238 will be answered today.

[*Text*]

SHOAL LAKE

Question No. 238—**Mr. Harvard:**

> Does the government propose to take any action in developing a Shoal Lake management plan and, if so (a) what action (b) what opportunity will be given to concerned parties, such as the WPG, the Native bands and the cottage associations, to participate in the development of the plan?

Hon. Lucien Bouchard (Minister of the Environment): There is no intention, at present, to develop a Federal Management Plan for Shoal Lake, since this is primarily a provincial responsibility. Environment Canada stands ready to assist in the process of a plan development as far as resources will allow and as requested by the Provinces.

ADDITIONAL BACKGROUND INFORMATION

Planning with regard to Shoal Lake is proceeding on several fronts and at various levels of government. The provinces of Ontario and Manitoba, jointly, are preparing a Shoal Lake Management Planning Strategy and the federal government was invited to send participants to a workshop on the subject which was held at Kenora, Ontario on February 20, 1990. Three people from the Inland Waters Directorate of Environment Canada attended the workshop. Indian Affairs and Northern Development also was represented.

A Tripartite Agreement regarding Shoal Lake was signed by the Shoal Lake Indian Band #40, the Province of Manitoba, and the City of Winnipeg on June 30, 1989. Included in this Agreement is the requirement for the Band to develop an Environmental Management Plan. Negotiations currently are under way between the Band and Indian and Northern Affairs Canada regarding federal assistance in carrying out the Band responsibilities under the Agreement, including the Environmental Management Plan. These negotiations will culminate in "The Shoal Lake Band #40 / Canada Agreement Respecting the Economy and the Environment". This is the federal agreement required under the terms of the Tripartite Agreement.

A third area of concern at Shoal Lake is proposed Consolidated Professor Gold Mine of Steven's Inland in the lake. There has been a request for FEARO involvement in this proposal, but by letter of December 1989 to the Honourable Glen Cummings, M.L.A., the Minister stated that the EARP will not be applied to the proposed gold mine. This mining proposal would be covered by the Ontario / Manitoba Shoal Lake Management Planning Strategy.

[*English*]

The Acting Speaker (Mrs. Champagne): The question as enumerated by the parliamentary secretary has been answered.

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

The Acting Speaker (Mrs. Champagne): Is it agreed?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BORROWING AUTHORITY ACT, 1990–91

MEASURE TO ENACT

The House resumed from Thursday, March 29, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C–65, an Act to provide borrowing authority, be read the second time and referred to a legislative committee.

The Acting Speaker (Mrs. Champagne): The hon. member for Saint–Boniface (Mr. Duhamel).

Mr. Ronald J. Duhamel (Saint–Boniface): Madam Speaker, when I took the floor last week on this motion, I indicated that by looking carefully at a person's actions, we could establish that person's values and priorities. We could do the same with the government.

If we consider their actions, if we look at what they are doing and what they intend to do, we could try, and I think we could, in fact, establish a very clear picture of their values, beliefs and priorities.

Now suppose we quickly identify this government's actions. I indicated that they cut transfer payments on health care. Who is affected by these cutbacks? Seniors who need care, and the sick and the handicapped. I also pointed out that they cut transfer payments for education. And who is affected by these cuts? Young people and mature students who go to university and college.

We talked about their infamous clawback which has a direct impact on seniors and families. What does this tell us about their priorities and values? Hon. members will recall that before and during the election campaign, there was talk of setting up daycare centres. What was done? Nothing, absolutely nothing.

• (1640)

Mr. Corbeil: Bill C–21 is blocked in the Senate!

Mr. Duhamel: And of course they try to put the blame on the Senate. When you are weak and don't have the guts to do what you promise, you blame somebody else. That is also one of this government's values, and it certainly says a lot about this government. When you can't do what you promise, when you don't have the guts to do it, when you don't intend to do it, you put the blame on somebody else. You are like a little boy who takes a cookie and says: It isn't my fault, Mom, my brother told me to take it.

What did they say about VIA Rail? They said they would support it. They cut funding back by half. Who was affected? More than 2,700 people, which means more than 2,700 families. Unemployment insurance is another interesting point. Some ministers were falling over themselves to say that they had no intention of touching this program, and what is happening now? Bill C-21—You know exactly what is going on.

Mr. Corbeil: Bill C-21 is still blocked in the Senate.

Mr. Duhamel: Thank God! We have a Senate that is trying to protect Canadians.

In addition to all that, they cut programs for women, native people, new Canadians and multiculturalism and veterans. Yes, programs for training and retraining too. We were told that we would have the best programs in the world! They were cut. They spent $4.50 per person on the literacy program annually. Some investment in the five million Canadians who need help! Big deal! They promised to double spending on research and development. But they are slipping: there is less than before. We invest less than half what countries like Japan, the United States, Germany and France do, even if we exclude military R&D. Student aid has not changed since 1984. Not only has it not changed since 1984, but they imposed an administrative fee on the poor students who need help. They removed the subsidies for academic publications. They will impose a tax, the GST, the goods and services tax, which will hurt education.

[*English*]

I want to reiterate the point I was trying to make. If you look at the actions of an individual or a government, then you can determine what their beliefs, their values, their priorities are. Look at the actions of this government. The use of phrases such as "sacred trust" have no meaning any more. We have heard it so often.

Let us talk about the accord that is getting national headlines. It has now deteriorated to the point where it pits region against region and person against person. It has not at all evolved. It is not going to evolve for a long, long time, because the process has been deficient.

Let us talk about the deficit. Members of the government like to brag that they are such wonderful managers. Yet the deficit is no smaller than it was, and the debt has almost doubled during the last five years. Is that good management? Frankly, my definition of good management is very different from that.

The people in this country are frightened. When you become frightened and you worry about your future you are less tolerant, less generous and less patient than you would have been. This is what is happening to Canadians throughout this nation.

What would have happened if the government had told the truth when it went to the polls? What would have happened to the members? They would never have been elected.

Just imagine the Prime Minister standing up and saying: "I shall raise taxes 31 times, and I shall impose a goods and services tax, and I shall ensure that your taxation is at record levels".

What would have happened if the Prime Minister had said as well: "There will be no improvement on the deficit or the debt". What would have happened if he had added: "I have changed my mind. I did say in the book, *Where I Stand*, that I wanted to spend more on research and development, but I will not raise the expenditures for research and development".

What would have happened if he had said: "I will claw back old age security and family allowances, of course, as a little bonus".

What would have happened if he had said: "I will not introduce any day care program. I have decided against that too". He might have added, if he had told the truth: "And I will cut VIA Rail. I will just cut it in half initially because I think it would be too brutal to take it all away. And, as a little bonus, later on I will cut native programs, and I will cut programs for new Canadians, and I will cut funding for women's groups. Finally, I will cut education and health". Those are the statements he would have had to make if he had told the truth.

Is it any wonder that they find themselves at 17 per cent in the polls? Someone told me this morning that the Communist party of East Germany was at 15 per cent in the polls. Frankly, if the government continues to topple as it has, then it will even sink lower than the East German Communist party.

It is rather interesting to look at *The Toronto Star* of March 29, 1990. The results of a Gallup poll with respect to the budget showed that 70 per cent of Canadians say that the budget will not help, while 63 per cent of Canadians say that the budget will hurt Canadians.

This is a government that obviously condones the massive increases in salary given to the Governor of the Bank of Canada. We have heard the defence given by the Prime Minister. How would you feel if you were a single parent out there? How would you feel if you were among the 3.5 million to five million poor Canadians if you saw those kinds of increases given to someone who is already well paid?

On the campaign trail we know that the Conservatives are really Liberals. Canadians know what they are really like, and they are not going to forget. I say to all Canadians, let us look at their actions and we can then determine their values and their priorities.

Finally, I say this not to offend, but to point out that there are dramatic, distinct differences between political parties. One of the ways of trying to determine that is by looking not at what they say, primarily, but at what they do.

Mr. Corbeil: That is what we want to be judged on.

Mr. Duhamel: I want to remind all Canadians that there are some members opposite who obviously are slighted by what I have said. I do not blame them. I would be embarrassed to be part of a government that undertakes the kinds of reductions that I have just identified in health, education, veterans programs, women's programs and native programs.

How could you possibly sit there and chuckle and snort and heckle? I would hold my head down. I would go home after dark on weekends because I think it would be much more appropriate than to do so during the daytime.

[*Translation*]

As I just said, Madam Speaker, I have no intention to slight my colleagues on the government side. I simply want to try to point out that there are differences, big differences between political parties, and the way to appreciate that is to examine what they do. So they went ahead and slashed various programs for women and native people, programs on multiculturalism, health and education, programs for seniors and families, programs on unemployment insurance when they promised they would not touch them, programs on retraining, research and development and what all else, and this is indeed a good indication of what motivates them, what drives them, what makes them react.

I find it interesting for example to see some of my colleagues who continue to laugh—

Mr. Corbeil: That is what you did for 20 years.

Mr. Duhamel: —who continue to laugh at what I am saying. That is because they lack the courage to rise and ask questions—

Mr. Hudon: Just you wait!

Mr. Duhamel: —and to argue and prove that what I am saying is wrong. Indeed I am looking forward to entertaining their questions.

Madam Speaker, I thank you for giving me the opportunity to share my views with the House.

• (1650)

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): I have a question for my colleague. A moment ago he said something that gave me a start. I want to remind him that during the previous session the government had introduced a day care bill which was duly passed by the House. When I pointed out that the legislation had been stalled by the Senate not long after, he replied: You always have to blame somebody else. That is what did happen. The program did not necessarily have the wholehearted support of the Liberal Party, but the bill did make it through the House and was rejected by the other place. And that is not the only example.

A few minutes ago my colleague said something about training programs—

[*English*]

Mr. Speller: It wasn't turned down by the Senate.

[*Translation*]

Mr. Hudon: You breaking wind, or what? What is going on?

Mr. Duhamel: The question! Ask your question, I can hardly wait to answer!

Mr. Hudon: Sure, tell your colleague to let me speak and stop breaking wind just so I can complete my question.

As it happens, Bill C-21 which is still under consideration includes a provision to transfer funds for better training programs. We are not necessarily saying they were cut off. The money is there. That is how I interpret Bill C-21. This is not the first time the other place—Take Bill C-22 on drugs, patents and what have you, it made four or five return trips between the two Houses, but we finally enacted the legislation. With respect to free trade we even had to go through an election before we managed to get it through. My colleague should not belittle the role of the Senate or of the other House because it is now systematically blocking a measure which the government has every right to adopt, particularly when taken in the context of budget expenditures and increases.

Madam Speaker, I want to tell you that between 1980 and 1985 the percentages of budget increases were 3.7, 11.9, 10.3, 5.8 and 8.9. Since the new government took over, the increases in real federal expenditures were 2.2, 0.4, 2.6, 2.3 and 2.2. This country simply has to be put back on the right track. I agree with my colleague that there have been cut-backs in various sectors or various fields. But I must remind him that we did not cut back in education. The provinces may have received somewhat less than they expected to get, but there was an increase in some budgets or in the transfers made to the provinces.

Mr. Ronald J. Duhamel (Saint-Boniface): Concerning the daycare centres, Madam Speaker, I am going to try and deal in turn with each and every point. If it is true that the bill died in the Senate, it is also true that if the government had really wanted to, it could have introduced a new bill during this session. It should not try, therefore, to blame this on another level of government. It is well aware that it could have done so. But it did not really want to do so for lack of courage and should not therefore try to pass the buck.

Now, concerning Bill C-21, which is now before the Senate, you have not yet recognized—perhaps if you did, I could accept that—that workers and employers will have to foot the bill for many of these training and re-training programs, and that the government has withdrawn its participation almost entirely from the training and re-training area. That is something you are not saying! Beside that, the Prime Minister had claimed that his government would have the best programs in the world. Ask any worker, any employer, any Canadian man or woman whether you had the very best programs in the world. It is not true! That is going a little bit too far.

You mentioned that your expenditures had increased by 2 or 1 per cent. Listen, I do not know where you got your data, because in 1984, you had $70 million in revenue and you have now over $120 billion. What have you done with our money, the money of Canadian men and women? Where have you spent it all?

You have not recognized either that you had doubled the endebtment, but you did indeed.

Mr. Corbeil: How about the interests on the debt?

Mr. Duhamel: I made a little calculation, and I should like you to make the same, and if I am wrong, I will stand up in the House and apologize. But I made a little calculation, and if you use the interest on the debt which existed in 1984, you will realize that you spent more, Sir.

[*English*]

Mr. John Harvard (Winnipeg St. James): Madam Speaker, I am glad that my colleague from St. Boniface raised the matter of legislation brought forward by the government since the election, because I am convinced in my own mind as well, that if the people had been told what the government was going to do to VIA Rail, it would have been trashed in the 1988 election.

If the people had been told about the details of the GST, the government would not have been re-elected. If the people had been told about the UIC legislation, it would not have had a hope in the 1988 election. If the people of Canada had been told about the proposed cuts in transfer payments to the provinces, it would not have won the 1988 election. I think that my friend for St. Boniface has made some very good points.

I feel that the government has behaved so badly, so irresponsibly and so undemocratically since the 1988 election that it has lost all moral authority to govern the country. I want to ask my friend from St. Boniface whether he shares that feeling.

Mr. Duhamel: Madam Speaker, I wish to thank my colleague. First, I am absolutely delighted that he understood the points that I made. I am extremely suspicious that my colleagues opposite also understood them, but they did did not want to admit it. I am quite convinced that that is true.

Yes, the government has lost the moral authority to govern. It has lost the confidence of the people. Fewer than 20 per cent of Canadians have confidence in this government. If you take the next five Canadians that you meet and there is a part of one who has some confidence in you the other four and a little bit will have no confidence in you. The government has lost the moral will to survive. It does not have the moral authority to govern.

Mrs. Dorothy Dobbie (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Madam Speaker, I rise today in support of Bill C-65, the Borrowing Authority Act for 1990-91. This is the bill which authorizes the government to borrow funds to meet its financial obligations for the coming year.

Bill C-65 will also permit the government to deal with the necessary foreign exchange transactions. The amount covered by this bill is $25.5 billion.

As hon. members are aware, the deficit projection for the 1990-91 fiscal year is $28.5 billion. That leaves a $3 billion difference which I will explain to you.

There is $7.5 billion available to the government from non-budgetary sources. One such source is from the repayments of loans advanced to the Public Service Superannuation Account in the past years which brings the borrowing requirement down to $21 billion. However, the government must have the flexibility to conduct its foreign exchange transactions. This will require a reserve of $3 billion, which is the same amount as was required last year.

In addition, the government requires a further $1.5 billion to cover foreign exchange fund earnings. While these earnings show up in the public accounts as revenue, they are not available for operating purposes since the funds are retained in the exchange fund account.

• (1700)

While government would obviously prefer not to have to borrow at all, this reduced requirement for the coming year is a reflection of the progress that is being made in rationalizing the economy. In fact, this year's financial requirement represents 3.1 per cent of Gross Domestic Product and that is down from 6.7 per cent in previous years.

This progress will continue. By 1994-95, the government's borrowing requirements will be reduced to zero. Indeed, the government predicts a billion dollar surplus for that year at which point bonds and treasury bills be begin to be repaid.

Therefore, this bill should be viewed in context with the government's over-all thrust to deal with the deficit and the debt. The budgetary measures that were announced by the finance minister in February are a key step in that over-all strategy.

The budget stressed that to achieve our potential for economic growth and job creation we must build on the solid fiscal progress that we have been making since 1984. By doing this, we will gain the kind of greater flexibility and independence of action that we need to meet the priorities of Canadians and the government.

To get the deficit down and to restore a better fiscal balance, we are working very diligently to reduce our expenditures, and that is a vital component of the exercise. The growth of spending on all government programs and services has been kept well below the growth of the economy and even below the rate of inflation. The money used to meet the costs of running the internal operations of government has been reduced from $17.5 billion in 1984 to $16.8 billion today. That is in spite of a larger workload, and I think that that shows real progress.

The Public Service has also been reduced by 12,000. In fact, it is the same size today that it was in 1973 and that is despite a 20 per cent increase in population. That shows real progress and real commitment to rationalizing our economy.

In December, the President of the Treasury Board announced further steps to help us eliminate waste, to improve efficiency, and to save another $1.4 billion over the next four years. In doing this, we have imposed a freeze on federal government construction in Ottawa, for example. We have introduced travel restrictions and we are amalgamating or closing some government agen-

cies. We will continue to reduce waste and inefficiency in government operation in the years ahead.

The February budget reported on our progress in achieving and increasing an operating surplus. When we first came to office, the federal government was spending $16 billion more on programs—everything except interest costs—than it collected in revenues. In other words, we had an operating deficit. Today, instead of an operating deficit, we have a surplus. The amount by which revenues exceed program spending is $9 billion. That is a turnaround of $25 billion in just five years. With tight discipline and good management, program spending has been dropped from 19.5 per cent of the economy in 1984 to 16 per cent this year. That is its lowest level in 20 years.

The deficit problem that we faced when we came to office was not just a question of too much spending. As the share of national income, federal revenues had been falling since the mid–1970s. This happened for a number of reasons, including the growth in special tax breaks and flaws in the federal sales tax, that is the old manufacturing sales tax which we are about to replace. We eliminated those tax breaks, we closed tax loopholes, and we increased revenues. As a result of these measures, we have brought about a fundamental structural change in the balance of spending and revenues. It is important to note that 70 per cent of this progress results from our expenditure restraint programs.

Our progress towards a better fiscal balance has not come easily. It has been a hard–earned task. We have all felt the impact of the measures needed to protect and strengthen our future, there is no doubt about that. Many Canadians have had to face difficult adjustments during this period of time. But the economic pay–off has been considerable and continues to be considerable. The economy has enjoyed several years—in fact, seven to be exact—of expansion. Employment has grown steadily over this time and grown strongly. After–tax incomes have gone up. Economic opportunities have been increased and poverty has been reduced in the very best way possible, through the creation of more jobs for Canadians, and that is the best way to reduce poverty.

Our national debt, which was $200 billion when we took office in 1984, has grown, we admit, to $350 billion this year, of which more than 80 per cent consists of the compound interest on the original $200 billion. That demonstrates how important it is to get off the treadmill of borrowing money to pay interest on the past debt, and it helps explain why the deficit is still at $30 billion in spite of the reduction in our spending and the actions we have taken to increase revenues over the past five years. It is not easy to reverse a deficit of $200 billion.

The budget set out, however, an expenditure control plan that will ensure that our operating surplus continues to grow. It will allow us to get off the treadmill of debt. However, that means that we must reduce the burden of the rapidly growing interest payments. To do this, we must deal firmly with the greatest single threat to our continued fiscal and economic progress and that is high inflation.

After seven years of strong economic growth, the economy has exceeded its productivity capacity. This has fuelled inflation and the current slowing of the economy is helping to ease the strain, but the underlying inflationary pressures remain far too high. We must lower inflation as quickly as possible to enable interest rates to come down. That way we can put the economy back on a sustainable path of expansion and make even further and more necessary progress on that deficit.

The prospects for lower inflation and interest rates depend on keeping our costs under control. Responsible price and wage behaviour will ensure that the demands we make on the economy are within its capacity to grow and to produce income. Federal government wage increases have been below the inflation rate and below the pace of wage increases in the private sector since 1984. The budget reaffirmed the government's commitment to this kind of wage restraint.

There simply are no shortcuts to solving our economic and fiscal problems and there is absolutely no magic wand that we can wave to lower interest rates. What we must do is deal with the causes and not with the symptoms. Experience shows us that interest rates are a symptom and that inflation is indeed the cause.

The measures announced in the budget will help to ease inflationary pressures and create a better climate for lower interest rates. This, in turn, will help to reduce the deficit in the years ahead. Lower inflation and interest rates and lower deficits will be mutually

reinforcing and lead to a return of a strong and sustained growth pattern in the country.

Together with the measures announced in December, the expenditure restraint measures in the budget will produce savings of $3 billion in 1990–91 and almost $4 billion in the following year. Total expenditure savings of over $19 billion will be achieved over the next five years. As a result, the budget makes it possible to restore the deficit to its downward track, without an increase in taxes. Taxes will not go up.

The deficit will be reduced to $28.5 billion in 1990–91 and cut in half to $14 billion by 1993–94. By the following year, the deficit will be further reduced to $10 billion. The operating surplus of revenues over program spending will, at that point, reach $31 billion. Program spending will fall to 14.2 per cent of national income. That will be the lowest level since the late 1960s. The burden of debt will be reduced as the national debt shrinks relative to national income. The government will begin to be able to pay down its bonds and its treasury bills.

• (1710)

Our economic plan and the firm actions that we have taken in the budget as part of that plan have brought in a clear prospect of lower inflation and a steadily declining deficit. They will help ensure that the government's fiscal position in the 1990s can support the programs that Canadians value most. By persevering, we will attain the greatest control over our destiny and a greater ability to devote our resources to investments in a rising standard of living and a better quality of life for all Canadians.

Hon. Doug Lewis (Minister of Transport): Madam Speaker, I am pleased to have this opportunity to question my colleague.

I know that the economy is being discussed at many of the Liberal delegate selection meetings and I wonder if my hon. friend who is from Winnipeg South would be prepared to comment on the delegate selection meeting which took place yesterday. There has been an awful thing happen, Madam Speaker, and I know that you would share my dismay at this. The Liberal delegate selection meetings are stamping out freedom of speech. I am glad my hon. friend is here, because, according to a newspaper report, one Liberal MP, who happens to be in the House today, said:

> "It is anything but a clean act," grumbled John Harvard (Winnipeg—St. James). "Look at this. It's a public forum. It's democracy—at least it's supposed to be."

My hon. friend is from Winnipeg and would have seen this deplorable thing happen in her own city. I am sure it is something that all Manitobans must be dismayed by and probably they will be leaving the party in droves. There are not many there, but they would be a drove if they all got together. I wonder if my hon. friend has any comments, within the context of the debate of course, about the dismay in which my hon. friend from Winnipeg—St. James finds himself.

Mrs. Dobbie: Madam Speaker, I thank my hon. friend, the minister, for his question. In fact, I did watch the debate yesterday. I was a little surprised at the lack of a clear-cut alternative that was presented by the opposition to any of the financial or fiscal measures that were put forward as questions by the moderator. In fact, when the questions were posed to all the members, there was a great deal of conflict over just what they would do in order to deal with the economic situation in Canada. Some were in favour of the GST. Some admitted that the GST had to go ahead because otherwise they did not have any alternative at all.

All agreed, I think, that the federal sales tax had to go. In fact, nobody had a clear-cut plan. One of the members thought perhaps a single tax was a good idea, but there was no clear-cut plan to deal with the economy or to deal with the fiscal problems of the country. Certainly, none of them had any idea at all and no concrete suggestion to make about how they might be able to bring down the deficit and deal with the debt. They did not get into anything half as complex as the question of interest rates because, unfortunately, I think the interest rates were a little over their head.

I must say that I was very surprised at the lack of plan, the lack of thinking, the lack of program shown by the Liberal leadership candidates and I think that bodes very badly for the future of the country.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, the hon. member for Winnipeg South, in her usual eloquent way, has indicated that she has never had any suggestions from this side about reducing the deficit. I need only remind her of my suggestions that she fire half the cabinet. We have got too large a cabinet and we would save millions by doing that. She could also fire a

lot of the parliamentary secretaries and arrange for government advertising to be cut. This profligate government that she supports is spending $14 million advertising the goods and services tax and Canadians do not want the tax. It is trying to convince them by generous hand-outs of money that that is a wise expenditure. Also, the government is spending over $300 million to set up this tax. Does she not think that is wasteful?

The hon. member stands in the House today and says that we never make suggestions on how to save money. We have said scrap this tax and save $300 million; scrap the advertising campaign on this tax and the other government advertising and save another $100 million; cut the cabinet in half and we would save probably another $100 million. Yet the member sits here day after day and says we never make any suggestions.

In addition, my hon. friend from Broadview—Greenwood has proposed an alternative tax. We never hear any discussion about the single tax from the other side.

In light of that fact, first, will she apologize to the House for suggesting that we on this side have never made suggestions?

Second, I would like her to comment on another matter. She cited all these figures about deficit reduction. I wish I had the quote here at my fingertips and, had I known she was going to spout such nonsense, I would have brought it with me. In 1985 the Minister of Finance predicted that this year the deficit for the budgetary operations of the government would be $14 billion or $15 billion. Now it is $30 billion. Does she not feel that it is time this government got out and made way for one that can manage the country, instead of one that mismanages the way this one does?

Mrs. Dobbie: Well, Madam Speaker, listening to the numbers that came from my hon. friend across the way, I can certainly understand why he is not the finance critic. It demonstrates his total lack of understanding of how the finances of the country work. He tends to think one can find $100 million here and $100 million there. That is the kind of thinking that got us into so much trouble in the first place. They used $100 million to spend here, $100 million to spend there and $100 million in another place. The next thing we knew the country was in hock up to its ears.

In addition to that, the hon. member has made a comment in the House several times that somehow or other we should not spend money on information programs to inform the Canadian public about what the government is doing and what the government plans to do. That may have been the method of governing the country used by the Liberals in their term of office. It was a period of fear, a period of secrecy, and a period of the right hand not knowing what the left hand was doing.

This government is an open government, and we think it is important that Canadians not only know what we are doing, but understand what we are doing. We take the time and make the effort to ensure that there is ample room for debate and discussion, informed debate and informed discussion.

Information campaigns cost money. That is true. But I think it is extremely important and a very good investment that Canadians be informed of the business of the government so that they can make their appropriate assessments on the polling day that will surely come when we will see the Liberal opposition once more go down to defeat.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, just let me say in response to what the hon. Minister of Transport said a few moments ago that the Liberal Party respects individuality. The Liberal Party is not a monolith and the Liberal Party believes in not muzzling people when they have a point of view. If hotel security staff or people who are in charge of security make what some people believe to be a mistake, do you know what? We are allowed to comment on that. That is all I would say to that remark. As long as the Liberal Party stands for democracy, openness, and fairness, it will behave exactly like that.

I have a question for the hon. member from Winnipeg South. She asked us a moment ago: "Do you have a clear, well-defined plan?" The government has said that and asked that so many times, I want to throw it back to the hon. member from Winnipeg South. In the last five years the government has raised the debt of the country by over 100 percent; from $170 billion to $360 billion. Talk about a giant leap! Talk about a quantum leap! I want to ask the hon. member from Winnipeg South whether that sprung from a well-defined, clear plan?

Where was the plan to raise our debt over 100 per cent, over $100 billion? It is a debt that is now costing the taxpayer, every year, about $39 billion in interest charges. Where was your plan? If you have it, produce it.

• (1720)

Mrs. Dobbie: Madam Speaker, the hon. gentleman knows very well that the debt was out of control when this government took over in 1984. It is very difficult to turn a trend around that has been entrenched in the country by the Liberals for over a period of 20 years or 30 years. I think that in the last five years the government has made remarkable progress in trying to return this economy to something that is rational and that will put more dollars in the pockets of Canadians, more choices in the pockets of Canadians, more jobs out there for Canadians, and more opportunities for business people.

We were going backward before. Now at least our plans are putting us in the place where we can progress forward.

Mr. Mark Assad (Gatineau—La Lièvre): Madam Speaker, we have heard a great example which reminded me of the deceased British philosopher, Bertrand Russell. When asked one day about economists, he said he knew of only two economists in the world who understood the intricacies of international monetary economic systems. But, he said, unfortunately, they disagree on the solutions. I guess like statistics and like economists, the more figures and the more economists you can have.

I would ask a fundamental question. Is it the conventional wisdom of the day if one were to ask an economist or people who discuss economics—we hear a lot about inflation—how would we define inflation? Conventional wisdom tells us that inflation, in very common terms, is too many dollars going after too few goods. Does anybody in the country feel that there is a lack of goods on the market? Does anybody feel there are too many dollars on the market after these goods? It is incredible that we can live in a highly technical society and yet pay homage to a myth. It is incredible that this myth can continue. We talk about inflation, but do we really know any more what brings it about? I doubt it.

I hear economists discussing how the economy works. One thing I grant to most economists is that they are experts at explaining where they went wrong once the damage is done.

When it comes to the budget, the average Canadian undoubtedly finds the whole budget process a confusing mass—I will not say mess—of information. Basically we want to know how much we are going to have to pay and, if the occasion ever arose, how much less. Most people do not have the time or the inclination to study the whole budgetary process. It is a complicated, highly complex system, to say the least. Even at that there are many factors that come into play. Of course, there are what we call political considerations. There are interest groups represented by some form of lobby to put forward an argument or favour. Big business interests are taken seriously because it is concerned that we have a strong economy; at least that has always been its line.

What is the role of the majority of the Canadian taxpayers or working Canadians? Where is the input from the backbone of the country, the middle class? Most people refer to themselves as part of the middle class. There are some who feel they are part of the middle class, but with the difficulties of the last years we find there are more people joining the ranks of the less fortunate, to say the least. The government claims to be very sensitive to the concerns of the middle class, which is obviously the backbone of the country and very essential in the democratic process. But, if that fundamental sector of our society is no longer effective, or that the input has been reduced to the point that it is no longer significant, the question is: Where is this whole philosophy we have in the country for many years which distinguishes us from many countries, that we want to be our brother's keeper? Although most members of the House belong to the middle class, we would have to say that our input is decreasing year by year.

For the last I do not know how many years, we have had unbelievable deficits in the country. We have this government that came into power more than five years ago which was going to solve the whole problem of the deficit. Obviously we have seen the results. It more than doubled it over the past years.

Nevertheless, government members claimed that they had the solution to reduce it. Time is running out for

them and they have begun to realize it. What emerges on the scene is a totally new form of taxation, the GST. Obviously, they did not tell the electorate before the election of 1988.

I would not want to repeat it here as it is obvious that we know what Canadians think of the GST. I see the hon. minister responsible for tourism. I get floods of mail every week telling me that the GST is going to be disastrous for the tourist industry in the country. That is only one of the victims on the horizon and obviously we are going to hear more from these people in the future.

[*Translation*]

Madam Speaker, governments have priorities. The issues most often raised by this government lately include the environment, sustainable development, deficit reduction—which is why they came up with the GST—and finally research and development.

The other day on television, I saw a scientist, whose name I forget, who is a member of the association for the advancement of research in Canada. He was explaining that our country's future was based on research and development. And since Canadians' education level is higher than the global average, our future definitely depends on R & D. However, the amounts allocated to research and development are getting smaller with each budget. If we compare our Gross National Product with that of countries such as Japan, the United States and even France, we see that we are not doing enough. And it is disturbing since we live in a world where innovations, inventions and technologies are introduced at an increasingly rapid pace. We must remain at the leading edge of progress.

I remember the National Research Council's previous director, Dr. Larkin Kerwin, a former dean of Laval University. He tried for a few years to demonstrate that Canada's future well-being lay in the field of research and development.

I am obviously not an expert in this area but there are so many articles and books on technological development that we cannot help but realize that R & D will be the backbone of our country's economic health in the years to come. However, very little money is being spent on research and development.

• (1730)

Of course, the Liberal Party of Canada went through difficult years because the recession forced us to practice deficit financing, but we have had time to think the situation over and in retrospect we now realize we can come up with programs that definitely will save the nation from the impending recession.

So, essentially, Madam Speaker, when the middle class have fewer opportunities to influence government decisions, economic stagnation is here to stay. If we choose to leave the interests of all Canadians in the hands of pressure groups, don't expect miracles. A simple look at the tax system that has been around these last 20 years, shows that increasingly the middle class have been forced to pay more than their fair share. You don't have to be an economist to realize that reform is needed in that area. I believe the introduction of the GST especially, which has brought more Canadians under the same cause than anything else over these last few years, will inevitably force us to launch an in-depth reform of our tax system, and this will be the beginning of a new era in Canada where the economic system will reflect the aspirations of all Canadians.

* * *

[*English*]

EXCISE TAX ACT

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-62

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, I wish to indicate on a point of order that agreement could not be reached under the provisions of Standing Orders 78(1) and 78(2) with respect to the allocation of time to the report stage and third reading of Bill C-62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act.

Under the provisions of Standing Order 78(3), I give notice of my intention to move a time allocation motion at the next sitting of the House for the purpose of allowing a specified number of days, or a day, for the consideration and disposal of both stages of the said bill.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, we have just seen another example of the

government's absolute obsession with imposing upon the House a continuous gag of closure, of time allocation.

I submit, Madam Speaker, that that notice just given to you is completely out of order. Debate on report stage has not even started. You can hardly talk about time allocation when the government has not even called Bill C-62.

I submit that that is the utmost of incompetence. I reserve the right to make comments at the appropriate time when the bill does come before the House. I also submit that at this time that notice is completely unacceptable, irreceivable or whatever other word I could use to tell you, Madam Speaker, that it is out of order.

* * *

[*Translation*]

BORROWING AUTHORITY ACT, 1990-91

MESURE TO ENACT

The House resumed consideration of the motion of Mr. Wilson (Etobicoke-Centre): That Bill C-65, an Act to provide borrowing authority, be read the second time and referred to a legislative committee.

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Madam Speaker, I would like to make two points on matters that were raised. First, I would like to comment on a matter raised earlier by the hon. member for Saint-Boniface when he suggested concerning the debt, that revenues were increasing. I was not referring to revenues at all, I was referring to the percentage of federal expenditures that were going to debt servicing. Of course revenues will increase. But let us not confuse the issue. Of course revenues increase, but a larger proportion are going to debt servicing.

I heard my colleague say earlier in his comments: "You neglected the debt. It is increasing at an incredible rate". I agree. But if we look at the technical papers that were prepared along with the budget—you can believe it or not—but a debt keeps increasing if you don't pay it off. And when we have 30, 40 or 20, 10 or even a single dollar's worth of deficit in a financial year, obviously we are not paying off our debt.

Madam Speaker, I think Canadians should understand—I think they understand, but I get the impression that the economists opposite don't understand—that when we took over, we inherited a debt of 200 billion. Obviously we haven't paid off a cent, because every year, we have a deficit although it is declining annually.

When you don't pay off a debt, the interest piles up. The interest alone on those $200 billion will have added up to $150 billion in 1990? Meanwhile, the debt keeps piling up. It doesn't need us to increase. We have done our share by bringing the deficit up to 30 billion. However, we are no longer adding to the deficit because we now have a balanced budget. And so the debt will stop piling up.

We have a balanced budget that will meet the demands of our regular expenditures. All we have to do is find a way in our Budget to pay for your expenditures which in the course of time have accumulated to reach the sum of $350 billion.

Mr. Duhamel: Tell us about the last four years.

Mr. Champagne (Champlain): We reduced your debt.

Mr. Duhamel: Not true!

Mr. Champagne (Champlain): You don't understanding a thing!

Mr. Duhamel: Look who's talking!

The Acting Speaker (Mrs. Champagne): I am sure the hon. member for Gatineau—La Lièvre would like to make a few comments.

Mr. Mark Assad (Gatineau—La Lièvre): The hon. member is spouting figures right and left, and here are a few figures that give a very clear picture of how you operate.

Compared with 1984-85, income tax, for all practical purposes, has increased by more than 3 per cent.

An Hon. Member: Personal income tax!

Mr. Assad: That, while corporate taxes have gone down. It seems to me it is pretty clear how you intend to finance this country's debt!

Mr. Michel Champagne (Champlain): I would like to ask my colleague a question, because he raises the subject of companies that pay less tax than they should.

Is it not true that in 1984, when the Conservative government took power, there were tax loopholes whereby individuals could buy boats outside the country, for example, or 200,000 Canadian companies paid no

income tax? We have cut down those loopholes very significantly, so as to restore a much better balance.

Madam Speaker, it cannot be said today, as in 1984, that many Canadian companies pay no income tax, because if you compare the Conservative and Liberal records, if I may be a little bit partisan, you realize that far fewer companies can escape taxation with the system that now exists.

Secondly, for my colleague from Manitoba who does not seem to understand, the federal government's budget now shows a surplus of revenue over expenditures—we are not talking about the debt, but about the difference between income and outgo. Compare that to 1984, when we inherited a $ 16-billion deficit. In addition to paying the debt, we had to borrow to pay for the Liberals' programs, because they spent more than they took in.

Now, Madam Speaker, it is completely different. We take in more than we spend and that is sound management. It will enable us in the short term to balance the budget and thus bring total spending under control. We have done more than our share for this cause, Madam Speaker.

Mr. Mark Assad (Gatineau—La Lièvre): I am quite tempted to challenge my hon. friend opposite. In absolute figures, you will see that, expressed in dollars—because it is the money that counts—the loopholes were greater and more numerous during your first four years in power then they had been previously.

Check the absolute figures.

• (1740)

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, I wish simply to ask my hon. friend to comment on the impact the GST is likely to have on the tourist industry. I believe he is the Liberal party critic in this area and I wish to congratulate him on his speech. I should like him to comment on the GST and its impact on the tourist industry.

Mr. Mark Assad (Gatineau—La Lièvre): As I said earlier, Madam Speaker, I have received a great many letters from companies in the United States which organize package tours indicating that because of the GST, there will be a lot fewer organized trips to this country generally, and Quebec especially, because most tourists come from the Northeastern part of the United States.

Since the hon. Minister of State (Small businesses and Tourism) is here today and has probably received quite a number of similar letters, I wish to let him know that the companies are asking him at least to allow them to claim the full reimbursement of the GST. It is one of the suggestions, but if this cannot be done, the American companies which are bringing thousands of tourists to Canada generally and especially the Province of Quebec will see their business reduced by as much as between 10 and 20 per cent. That is one of the comments concerning the danger of the GST. All the organizations who are dealing with tourism in Canada realize that the number of tourists in this country will go down because of the GST.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I would like to compliment my hon. colleague on his reasoned approach to this debate. We all know of his long years of studying tax reform.

I think that one of the reasons we are losing our competitive edge in this country is that there is a general feeling the current system is not treating people fairly.

The member talked about tax reform in his speech. Would he expand a little on the extent to which we need to go through comprehensive reform in order to get a competitive feeling and a sense of fairness in our economy so we can generate more dollars to help reduce this deficit?

Mr. Assad: Madam Speaker, I thank the hon. member for his question. This is a subject which can go on and on.

In public life we often mention that not only does a government have to be considered above board and honest, but it must give the perception of being so.

If anything in a democracy should be fair and equitable, it is the tax system. Do Canadian people perceive the tax system as being fair and equitable? Far from it. We see more and more Canadians coming to grips with the fact that the whole system is completely out of kilter.

Of course there is no magic formula. The hon. member came up with a single tax into which people have looked, and all we have to do is go back and take some inspiration from the Carter commission.

I met a professor from the University of Ottawa the other day who told me that we could be inspired because the principles are basic and can be used to transform and bring back a tax system which is fair and equitable.

I want hon. members to realize today that I do not blame them. The problem has increased over the last 20 years and no political party can be blamed. The fact of the matter is that we need a total reform.

Mr. Arnold Malone (Crowfoot): Madam Speaker, the government recognizes the seriousness of the large and growing public debt. Since 1984 it has taken action to bring the debt problem under control. The record shows that significant progress has been made. The government has been significantly restrained. Waste and inefficiency in government operations have been greatly reduced. The government has taken comprehensive action to close tax loopholes, reduce tax expenditures, reform the income tax system and, with the proposed sales tax reform, move to a secure and fair sales tax base.

As a result of these expenditure actions and revenue measures, the deficit in 1989–1990 has declined by almost $8 billion from its peak in 1984–85 of $38.3 billion. This represents a reduction of 45 per cent in the deficit to the Gross Domestic Product ratio. In other words, while the debt itself is increasing, the ratio of the Gross Domestic Product of this country to the deficit is shrinking. It has done so in the past five years by some 45 per cent.

The growth of the debt has slowed dramatically and is now roughly in line with the growth of the economy's output of goods and services. Behind these improvements in the government's deficit are even more significant changes in the ongoing structures of government spending and revenues.

The government now has a $9 billion operating surplus. The cost of government programs are more than completely financed by ongoing government revenues. This was not the case five years ago when program spending then exceeded some $16 billion. In other words, five years ago for the government to implement the programs it provided for Canadian people, it borrowed some $16 billion on an annual basis.

What we have today is an $8 billion surplus in that regard and that is money that can be used for diminishing the debt. As time goes on and that surplus grows—it has the potential to grow to some $30 to $33 billion over the next four years—the capacity of the government to shrink that debt will be ever increasing.

The government acted to convert the $16 billion operating deficit to a $9 billion operating surplus, a turnaround of some $25 billion in just five years. Relative to the Gross Domestic Product, 70 per cent of this improvement in the operating balance has been achieved by expenditure restraints brought about by the present government. Although substantial progress has been made, the task is certainly not yet complete.

The enormous build up of debt over the last 20 years means that we are on a treadmill dominated by growth in public debt and debt servicing. With an annual deficit of some $30 billion, interest costs increase by $3 billion each year just to service that debt. This means the operating surplus has improved by $3 billion each year just to keep the over–all deficit from rising. This problem is compounded by the vulnerability of the government's fiscal situation to increases in interest rates.

Exposure to interest rate developments was dramatically illustrated in late 1988 and through 1989. With the economy at capacity and inflation pressures mounting, higher than anticipated interest rates added about $6.5 billion to public debt charges in 1989–90, relative to the fiscal framework projected in the February 1988 budget.

• (1750)

In response, the April 1989 budget introduced substantial expenditure reductions and revenue measures. With the action in that budget, the government was able to set out a fiscal framework designed to deal with Canada's fiscal problem.

Since April 1989 inflation pressures have proved to be more strongly entrenched than expected. This has resulted in interest rates remaining higher than expected. Further fiscal action has been necessary to hold the fiscal framework set out in the April 1989 budget.

The substantial expenditure actions in the February 1990 budget together with measures announced by the President of the Treasury Board in December reinforce the momentum of earlier measures. They ensure the goals of the April 1989 budget will be reached. What could only be aimed at in the medium term five years ago is increasingly within reach today.

The deficit will be cut by more than half to $14 billion in 1993–1994. The following year it is predicted to fall to $10 billion or about 1 per cent of the Gross Domestic Product, the lowest level in 25 years. Financial requirements will be in surplus by 1994–1995, allowing the government to begin paying back the debt it previously borrowed on capital markets. The burden of the debt will be falling. The debt to Gross Domestic Product ratio stabilizes in 1991–1992 and declines thereafter, the first decline since 1974–75.

In short, the fiscal environment required for sustained, non-inflationary, economic growth will be firmly in place.

I would like to speak to members of the opposition parties for a few moments, Madam Speaker, if I might. During the course of this debate in this Parliament and the previous Parliament they had a tendency to blame the Government of Canada for a debt situation for which they must bear the greatest burden for it being there in the first place. While recognizing the seriousness of the debt, they have been the same persons who have blindly criticized every cut the Government of Canada has made. They are the very same members of Parliament who have advocated that every imaginable, worth-while project for this country be put in place.

You cannot legitimately face the Canadian people and argue both dimensions of that argument. You cannot make claims as to the seriousness of the debt and that the deficit must come down, while at the same time argue that every worth-while program should be funded to its optimum. It would be nice if there were such a magic solution, if all Canadians in their businesses, families, homes, or in the operation of government could sit and think of what is good, nice, enjoyable and would bring pleasure and security, and then irrespective of the cost put forward some scheme that we spend that amount of money.

There is an isolation of two groups of people in Canada: the NDP and the Liberals. They are the only ones who have the luxury of being able to advocate the wonderfulness of expending on everything, while never having to bear the responsibility for its payment. They also have the luxury of coming before Parliament when there is a borrowing authority bill before it to criticize the debt and say it should not be there, when it is that very debt itself which has over a period of two Parliaments and beyond, through a history of Liberal governments, has been the very structural reason for this problem in the first place. Canadians are not blind to the fact that this problem arises because of a history of irresponsibility toward the financial management of our country. This situation is somewhat analogous to turning the *Queen Mary* around in the Battle River.

We have a significant problem that has momentum. Short of cancelling 12 government departments, there is no fast turnaround except to work our way out of this problem. The primary engine of doing so, though it will require some increase in revenues and curtailing of expenditures which we have done, the prime opportunity for Canada to work its way out of this is by economic expansion. Because we have had an average 20 per cent economic growth over a period of some five years, we are now put into a situation where the debt *vis-à-vis* the question of the Gross Domestic Product has actually fallen by 45 per cent.

It is because of the growth and intention for continued growth, as well as trade policies and structured tax policies that we are bringing into place, that this country can now see the light at the end of the tunnel. We are on track, and what we need now is the stability to carry this program to its logical conclusion so that Canadians in all parts of the country can rid themselves of the debt given to us by previous governments and reinforced by the New Democratic Party who loves to spend.

The size of the New Democratic Party gives it the luxury to imagine all those nice things and advocate that it would do them if it were in government. At the same time it has the privilege of being able to say that the debt is too high and should be cut without ever offering an option of how it can spend more and cut the debt faster. It is something that can only exist in the mind of an opposition party member.

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I would like to comment on the previous speaker's argument for a restructuring of the tax system. I do not think there is any doubt that that is necessary.

I know, having just returned from my riding, that the opposition to the goods and services tax initiative is very widespread. No amount of beating the drum about concern for the deficit will bring about support for that initiative. Small business operators in my constituency are outraged that this is the way the government is trying to address the deficit concern. I was able to tell them—and perhaps the hon. member would like to comment—that program funding has been less than government expenditure over the last two years.

The real problem is interest rates and relates to this government's mismanagement of the fiscal house of this country. The government should have the courage to talk about the interest rate policy and to address the outrage, the obscenity of high interest rates and how they are affecting the small business community in my constituency and elsewhere. It is the small business operation that creates jobs in our country. It is the small business operator that creates wealth.

How does the hon. member respond to the analysis that high interest rates are making the debt grow rather than program financing?

Mr. Malone: Madam Speaker, I concur with the hon. member for Saanich—Gulf Islands when she recognizes, as do most of us in this House, that small business is the engine of our society and will certainly make Canada grow, both in terms of the amount of generation of wealth for the country and in terms of the number of persons employed. It is not the large business sector which does that.

• (1800)

However, I do want to respond to two parts of her question. First, the GST. I strongly support the goods and services tax because I believe that it is a far more fair method of taxation than the present manufacturers' sales tax.

I would like to give the hon. member an example from an area very near me of a person who builds luxury motor homes. He buys the frame and the engine and pays the manufacturers' sales taxes on it under today's system. He buys the shell of a motor home, pays the manufacturer's sales tax and installs it. He buys the carpet, the cabinetry, the television set, the telephone, the radios, the couches, the swivel chairs, the tables, and virtually everything else that goes into it, and on every item pays a manufacturer's sales tax. The person adds up all of those costs, puts on his portion of profit and then, because he is deemed to have remanufactured, now must add on a manufacturer's sales tax.

Can the hon. member tell me how that helps Canadian small business persons in a competitive world? Does that not mean that more manufactured products are going to be made in the United States? Is it not the reason why we are trying to get from under the flood of imported products coming into our country by changing a high tax at the manufacturing level that cascades through to all of those various levels from there on, through transportation, through wholesale to retail. It increases the tax and then arrives for the people of Canada to pay in a hidden way. It limits our capacity to export and increases the potential for import products. I ask the hon. member for Saanich—Gulf Islands to defend that to the small business person as an appropriate way of doing business.

The hon. member also made a comment about interest rates. Let us take a look at the question of interest rates. We have, in this country, this year a living example of what happens with interest rates. It would be very nice to be able to flick our fingers and phone up the Governor of the Bank of Canada and say: "Lower the interest rates" by some percentage, 1 per cent, four per cent, 10 per cent, or whatever the NDP would choose as a nice number. The NDP might like to have no interest rates, no cost on capital at all.

However, the NDP should bear in mind that the Governor of the Bank of Canada tried that once already this year. He lowered the rate by a quarter of a per cent and within a week the run on the dollar was unbelievable. It cost this country a couple of billion dollars to shore up the dollar because of the run on the dollar. What is the situation with members of the NDP? They ignore that incident that took place within the last 60 days. They do not bear in mind some response to the extent to which Canada is beyond its capacity to pay. It is not only the federal government that is borrowing, but provincial governments, municipal governments, plus Canadians themselves.

We are one of the biggest debtor nations, on a per capita basis, anywhere in the world. Canadians go out and borrow. In 1988 we had one of the most extensive high borrowing years we have ever had in our history. That was all Canadians, not just governments. In 1989, it was 27 per cent higher than in 1988, which was a record year.

What would the hon. member do in the face of that? She would lower interest rates, which would mean that the borrowing would go on until we became like Argentina and Brazil, until we have inflation rates like they have of 100 per cent, 300 per cent and 500 per cent. Then let her go home to her small business people and say that's good for them. Let her go to the senior citizens and say that's good for them. "You people here on fixed incomes, that is just good for you, because it does not matter that we have inflation rates of several hundred per cent. We have low interest rates."

That might be all right for the member for Saanich—Gulf Islands. I think that is a very cruel and inappropriate way to put forward a financial policy for the Government of Canada, where there are so many people on fixed incomes, the indigent, the elderly, those who do not have the capacity to take advantage of inflationary factors and have the opportunity to put them in a position that she would advocate for them. I would resist such a policy.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I rise today with some trepidation, having listened to my hon. friend from Alberta. I was worried before I got up, now I am almost in a panic because of what he said. I feel exactly the opposite. Let me clear the air before I even begin my commentary by replying to the hon. member's suggestion that we do not have any alternatives as New Democrats as to how to raise additional revenues. I will tell the hon. member the following.

I did not hear him in his speech today say that we Conservatives like the idea of corporations not paying income tax. I did not hear him say that there were 69,000 profitable corporations in this country not paying any income tax at all. I did not hear him say that in the last year while personal taxes went up for Canadians by 16 per cent, corporate taxes went up only by 9 per cent, to say nothing about the additional excise taxes that people have to pay.

I did not hear him say that perhaps it is time for Canada to join the rest of the world with some kind of a wealth tax. We are one of the few countries in the entire western world that does not have some kind of wealth tax so that when you inherit $10 million, you should pay some tax. I did not hear anything about that. No.

All I heard was that he believes we should put the GST into place so that no matter how regressive, cruel and brutal it is on people, they should pay more because they are not going to touch the corporations.

Canadians are asking why Brascan, with profits in excess of $200 million last year, paid not a penny in income tax, when people working for a living in Red Deer, Lethbridge or High River will have to pay as much as $2,000 extra because of the goods and services tax. Why does he not explain that?

I have this very uncanny feeling that the government is softening us up for the big blow, a poll tax. They are looking at Margaret Thatcher and they are saying that Margaret Thatcher jammed this goods and services tax in and now the next one is to put a poll tax on. I read the reports from the Fraser Institute, which is the bible for the Conservative Party of Canada. They are advocating a poll tax for Canada. They are saying that every single Canadian, regardless of their level of income or where they live should be paying a poll tax, just like the old Chinese head tax of years ago which we abhor in principle.

That is what is coming, just as sure as we are standing here. That will be in next year's budget, I suppose. Because if there is some way to move the financial responsibility of providing for Canada from the wealthy, the privileged and the large corporations down on to the backs of working people, that is what this government wants to do and a poll tax is an excellent way to do that. Look at Margaret Thatcher. There is a rebellion in the streets in London.

In Canada there is not a rebellion in the streets yet. But Canadians are just beginning now to realize that to stop the goods and services tax, they do not have to defeat the Tory government. All that is necessary is a handful of Conservative back-benchers who have the guts and gumption to represent their constituents in this House and vote against the goods and services tax like their constituents are asking them to do.

My hon. friend from Alberta would have to look under a lot of rocks out there to find people who support this goods and services tax. The Conservative back-benchers are all decent individuals, but something happens when they get together in here. They lose any sense, compassion, thoughtfulness and caring. They listen to the Minister of Finance from Bay Street where everybody is doing fine. They have large incomes, the lobbyists have large incomes, and he is surrounded by public servants whose incomes are in excess of $100,000 a year. They are all comfortable. Everybody is working. Their spouses are all doing well. He never gets out to meet normal people. I do not know if the Minister of Finance knows any normal person.

However, let me tell my hon. friend from Alberta about an experience that I had only two weeks ago. I went up the North Thompson River and stopped in at a ranch. I was surprised to see a "For Sale" sign on the gate. Perhaps one of the saddest days of my life occurred that afternoon. This was a ranch well known to the area, third generation on the land. They had carved out of some pretty rugged country a profitable cattle operation.

• (1810)

I drove up to the ranch house, knocked on the door and was invited in. I looked into the faces of some of the saddest people I have ever seen. Here was the mother and the father working probably 18 hours a day, seven days a week, to try to keep that ranch going. They had three kids, one teenager and the others were perhaps around eight and ten. They were working after school. They would work all weekend month after month after month to try to keep this small cattle operation going.

They told me that because of the high interest rates of this government, they had to pay interest rates of 15 and 16 per cent. They said: "Nelson, you cannot keep an agricultural operation going with interest rates at 14, 15, 16 or higher per cent." As my hon. friend says, you cannot keep anything going at those rates.

Yet the rates keep going up. This past week we have reached a point where we have the highest rate since 1982. My Conservative friends opposite ought to be remembering what it was like around here in 1981 and 1982. They were on their high horses in here then. Something happens to Tory brains when they cross this floor. I can remember day after day, ranting and raving and screaming at Allan MacEachen or Marc Lalonde, how horrible they were because the rates had gone up to 10 per cent, and then 11, 12 and 13 per cent. They are higher than that now.

What do I hear from the Conservative benches? I hear nothing, absolutely nothing, rather than that they support this high interest rate policy that is driving not only these ranch families into bankruptcy where they have lost not what they have put into it, but what their grandparents put into that land. They have lost three generations of work because of this government's high interest rate policy. It is a sad day.

We walked out to the farm gate. Here was a pretty rugged individual, and by the time our conversation finished, his eyes were bleary, nearly in tears, because of what he had to do. He could not provide for his family, in spite of working literally day and night for months. Not because of any inadequacy in management, not because of any problem in terms of their desire and willingness to work, but because of this government's high interest rate policy.

They sit there glumly and say: "Aren't we wonderful?". I cannot imagine a single Conservative being elected from the prairies next time. There is an abandonment of the prairies in terms of the farm community. Hundreds and hundreds of farms are for sale, or bankrupt. People are saying: "We are not going bankrupt, we are just walking out. We cannot meet our debt loads." What do we get from this government? It is laughable: a program to make it easier to leave your farm. That is what we get. Not a debt moratorium. No, nothing like that. Not any serious effort at debt restructuring, but a program to get out of agriculture and turn it all over to agri-business. That is the goal now. It is an abandonment of the family farm, the family ranch in this country. It is a very serious situation.

Two Friday's ago, my hon. friend, the member for Mission—Coquitlam, had before this House a private members' initiative for a bill of rights for children. Over the last number of weeks she put together with others a very thoughtful presentation that there are many signs in our country that perhaps people do not respect children. We just saw it today in the news. A family was being evicted because of the nuisance of a child crying.

We see massive cut-backs in social housing, where this could not occur. The saddest day for many of us was when the motion came to establish a child's bill of rights, where we would recognize that young children in our country have some rights. Granted, our colleagues and friends, the Liberals voted in favour of this. As a block, the New Democrats voted in favour of it. It was a private members' day. We voted row by row because individuals were supposed to be counted. But no, the Conservative government laid on a whip and said: "Every Tory member in this place must vote against a children's bill of rights."

Can you imagine what kind of a signal that sends to this country, Madam Speaker? The government could have supported and ignored the legislation, but they voted against it. They stood in their places, dozens and dozens of Conservative members voting against Canada establishing a children's bill of rights. No wonder the people of this country are becoming cynical with this government.

Why would we be surprised? In the budget presentation the Conservative members got on their feet and were applauding when the Minister of Finance said: "Do you know how we are going to save money? We are going to cut back and make veterans who are lying sick in hospitals pay more for their room and board". How low and mean and nasty can you get? The conservatives clapped and applauded that initiative to hit the veterans. Of all the people in this country, those who are lying in a hospital bed are told that they have to pay more now.

That is only the beginning. Without any hesitation, we can afford spending $40 million a day on our defence, but we cannot afford women's shelters. We have to close them down. We asked the Minister responsible for the Status of Women whether she would intervene. No, she thinks this is a good idea. We cannot afford women's shelters across this country. What kind of a country are we coming to?

When people come to Canada, becoming a Canadian citizen means certain things. For example, it means you can have a pension when you retire. But this government has just changed the rules. They said that only some people can now qualify for pensions. If you have worked your life and have set aside money and have prepared yourself for your retirement years so you have some income, you are not going to get a Canada Pension. If you can prove that you have a certain income, you do not get Canada Pension any more. A fundamental principle of what it means to be a Canadian is that when you retire after contributing to the development of the greatest country in the world, you are entitled to Canada Pension. But this government says: "No you are not".

Another element of our citizenship is something we call family allowance for every child, whether they are from western Canada or eastern Canada, whether they live in Quebec or Manitoba, whether they are wealthy or poor, francophone or anglophone. The government is now saying that no, not everybody in this country gets family allowance any more. So, thousands and thousands of families who would normally be eligible for family allowance, are no longer eligible. It is the Conservative view of the world.

That is just the beginning. Do we not recall the promises and promises of a few years ago that we would have a child care program in this country. We are one of the few western countries now that does not have a comprehensive child care program. And do we have that? Nary a word. No child care.

The other day we saw cuts to post-secondary education. The increases that would normally be going to develop Canada's most valuable resource, our young people, will be capped. Then a fee is going to be added, so a student in need of a loan will be charged a user fee now. A student may say: " that is okay, because normally I go and work in a Challenge '90 program in the summer. I will use one of the federal government's SEED programs so at least I will have a summer job and I will save and scrimp for my education." The government says: "Hold it. That is off now." There have been massive cuts to that.

The government does not want to support young people preparing for their education. "We do not want to make it easy to get a student loan. We are going to establish a user fee. We do not want to continue to invest, as we have, in colleges, vocational schools, universities and technical colleges." What kind of a government is this that is failing to recognize that our most important resource is not oil, codfish or coal. It is our young people, and they are being abandoned by this government.

Do you recall the day, Madam Speaker, when the minister responsible for native people thought he had a great idea. Rather than encourage native young people to go to university, college, vocational school or technical school to develop the necessary skills to enable native people to provide the necessary financial and social and economic infrastructure for their people, he limited again the opportunity for native young people for post-secondary educational opportunities. What kind of investment in the future is that?

• (1820)

Today, of course, we reminded ourselves of the changes to the Unemployment Insurance Act. The government thought that it was time that we took off hundreds of thousands of people off the unemployment insurance rolls. We should make it a lot more difficult for people to qualify so that people who live in Newfoundland would have a more difficult time qualifying and that we should take money from the unemployed, the people who need the money the most, to provide money for retraining. When hundreds of thousands of people are taken from the unemployment insurance support program in this country, what kind of signal does that send to people in the have not areas of Canada where regional development programs have been cut back?

My hon. friend from Prince George—Bulkley Valley for months and months has been asking the Minister of Forestry where are those forestry agreements. We know what we require to sustain one of the most important natural resources in this country. We need something like $1 billion over the next number of years to develop reforestation and silviculture to ensure that that resource stays in place for future generations. There is tremendous opportunity in employment.

Even setting aside the tens of thousands of jobs that could be generated, the fact is that we cannot keep cutting down trees and not replanting them, considering that our forest exports are our number one export commodity by far. Does this government look ahead and say that it is time that we invested in this critical resource. It is time that we provided for silviculture programs and reforestation and provided employment for literally tens of thousands of people. No, we must cut back.

I was going to talk about the small business sector because the Minister of State for Small Business was in the House a minute ago. We recognize that about 96 per cent of the new jobs in Canada will be created by the small business sector. What is it that we are doing to assist and encourage the small business sector? What programs are in place to encourage and support small business in Canada? Have there been any new initiatives? No, there have not. Have there been any old initiatives? No, there are not. Only the GST is going to make it a logistical paperwork nightmare. My hon. friend says it is going to make small business persons bureaucrats and tax collectors. They are being asked to be federal government tax collectors now with no compensation whatsoever.

My hon. friend from Alberta talks a lot about the debt. When the Conservatives came into office in 1984 the national debt was $160 billion. One gets the impression that the Conservatives were actually worried about that and took steps to reduce it. Today the debt is $351.6 billion. That is virtually a doubling of the debt in their short period in office. This idea of blaming something that happened in this country years ago sounds like a worn-out record. People do not believe that the reason that the Conservatives have doubled the debt is because of the Liberals. Granted, there was a point there because of the corporate loopholes that the Liberal government brought in, particularly Mr. Turner. It was possible for Brascan, Confederation Life, Xerox of Canada, and Power Corporation to pay no income tax last year. In fact, I could list 69,000 corporations. Why is it that my Conservative friends opposite do not explain why they feel to have 69,000 profitable corporations paying no tax at all is a good idea. I never hear them explaining that.

In conclusion, the government is stating that we must reduce the debt and the deficit, that we must impose a goods and services tax on the people of Canada, and yet keep in place a tax system so that Brascan, Confederation Life and Xerox Canada, just those three, with profits in excess of $400 million paid no income tax whatsoever. Does that not put it into perspective. This government says one thing to its corporate privileged friends and for the rest of Canada acts in a very big brother way and says: "We know what is best for you. In the end you will understand that increasing taxes like the goods and services tax so that each Canadian family will pay probably $2,000 more taxes next year is a good idea". No wonder that the people of Canada have become so

cynical and, as reflected in the polls, only 17 per cent of the people of Canada support this government and that is dropping.

Hon. Doug Lewis (Minister of Transport): Madam Speaker, just a short question for my hon. friend. Is my hon. friend for or against the loss carried forward provisions in the Income Tax Act?

Mr. Riis: That is an interesting question: "Is my hon. friend for or against". We recognize, Madam Speaker, that from time to time and particularly on certain kinds of businesses that carried forward losses makes good planning.

But do we really need to help Brascan? Is Brascan in that kind of financial difficulty? Is Xerox Canada in that kind of difficulty?

Mr. Lewis: For or against?

Mr. Riis: My hon. friend asks me to be more precise. Let me be more precise. If you are a farmer, and I am thinking particularly of some of the farmers with large farms who would qualify in the corporate sector in places like southern Saskatchewan who have lost their crops because of drought, who have suffered real serious difficulties, yes carrying forward some of those losses makes sense.

Mr. Lewis: Just farmers?

Mr. Riis: No, I am not saying just farmers. I am using that as an example. I say I cannot accept the notion that Power Corporation, Nova Corporation, General Motors, the Royal Bank of Canada and the Bank of Montreal some years pay no income tax whatsoever. That I cannot accept.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I think that sometimes the hon. member puts a light on businessmen in this country that does them a disservice. Being a former business person from downtown Toronto, I know hundreds of people who work on Bay Street and do the best they can to be good corporate citizens. They read the Income Tax Act as it is and take advantage of the legal preferences and options that they have to reduce their tax base. Of course, we have developed this tax loss over the years as instruments of creating employment.

I should tell my friend that not only small businessmen are opposed to the GST. I have not found very many large corporations which support the GST. I think it is very important that we do not taint all big businessmen in this country as being for the GST because in fact they are not.

I have been working hard on some constructive alternative to this GST because we do have a deficit and debt problem for which all of us directly or indirectly have a responsibility. My question to him as a senior member of the New Democratic Party is, has he looked at one of the possible options called the single tax? I would be interested to hear his views on it and if he has any positive remarks or even his negative remarks as to how it could be improved so that we could constructively advance this debate.

Mr. Riis: Yes, I have read the hon. member's book on the single tax and I think he makes a good point. I want to clarify one thing.

When I say that there are companies like the Bank of Montreal and the Royal Bank of Canada that in some years pay no income tax, that is not because they are doing anything wrong themselves. They are following the rules that the government provides for them. It is the government that is responsible for the fact that some of these large corporations pay no income tax. It has nothing to do with them. They are just following the rules that the government provides for them.

The point the hon. member makes that there are large companies that are not in support of the goods and services tax is a point that ought to be made. His book on the single tax as an alternative to the goods and services tax reminds me of the work we put into it as a political party, coming up with alternatives as well. I take him very seriously when he says that he felt an obligation to provide an alternative for consideration.

• (1830)

We too thought it was appropriate that if we are going to criticize the government's goods and services tax, we should provide an alternative. And we have. We submitted a paper as part of the finance committee and laid out in a very clear way a number of alternative steps that would generate the same amount of money for the national treasury as the goods and services tax.

His single tax has merit. I do not want to say more than that. However, it has serious problems in terms of being regressive in some ways, but that is not to say they could not be overcome as well by using refundable tax credits

and other tax mechanisms. I will at least give him credit for providing an alternative.

Could he respond to my question as to what he thinks about the New Democrats five major alternatives to the goods and services tax. We have provided alternatives. I do not remember any from the Liberals with the exception of the hon. member's text that he circulated some weeks ago.

Mr. Malone: Madam Speaker, it is not often that I express disappointment in a speech in the House, but I was disappointed because the speech of member of the New Democratic Party, on the whole, basically did two things. First, it outlined how he would like to have more spending when the debate before Parliament today is on the borrowing bill. That party wants to do more spending.

Second, I presume it is either tremendously out of character or it was an accident, but he gave a long list of unbelievable misstatements. I just want to set the record straight on a few of them. He says that members on the government side are not representing their constituents because they favour the goods and services tax. I want him to know that by and large my constituency is an agricultural farming constituency. One of the principles of the goods and services tax is to take the cost of taxation out of the cost of doing business. Therefore, farm input costs will decrease by 2 per cent. Those are the farmers we are serving. This is an advantage to them because the tax is removed from operating costs. The hon. member, by his position, defends more taxation for farm producers.

He stated that there have not been any initiatives for business development under the present government. Well, what is ACOA? What is the Atlantic opportunities company? What is the western diversification office? One thousand new projects have been started by the western diversification office.

Under the previous Liberal government, such an office would have been headquartered in Ottawa. It is not. It is headquartered in Edmonton with branch offices in Regina, Winnipeg, Vancouver and Ottawa. There is a very small one in Ottawa for the deputy minister and few very close staff. But 1,000 new projects have been developed.

Ask anyone who has any relationship at all to that organization. There are very favourable comments from those who have approached the western diversification office. And I speak of that rather than ACOA because that is the one with which I am most familiar.

Yet the member stands in Parliament and says there are no initiatives and no old initiatives by this government when in fact 1,000 new projects have been started.

Then he talked about something which absolutely shell-shocked me, Madam Speaker. It is a trick of the NDP. He talks about a poll tax. Scare tactics. With respect to the goods and services tax, he knows we included in the economic statement of November 20, 1984, the first fall we were in office, a full statement of what we needed to do. We stated that getting rid of the manufacturers' sales tax was one of our objectives.

In subsequent statements and budgets we talked about the need to revise that tax. Throughout even the last election there was a stated indication—although I know it was overshadowed by the the free trade debate and the free trade issue—that we were going to change to a goods and services tax.

He cannot find one reference by any one of us in the government that we would ever bring in a poll tax. Yet he has the audacity to stand up in Parliament and scare Canadians. What a despicable thing for him to do. He says, without one shred of evidence or a bit of logic, but simply to scare people and to accuse members, that we are going to introduce something that we have no intention of doing. So I say to the hon. member, stand up and defend your credibility.

The Acting Speaker (Mrs. Champagne): I must interrupt the hon. member. The time for questions and comments have expired. A short comment from the member for Kamloops.

Mr. Riis: Madam Speaker, we are now facing the spectre of a goods and services tax. I find it quite astonishing that the hon. member says that his constituents support the goods and services tax.

Mr. Malone: I didn't say that.

Mr. Riis: I wonder if we could make a wager here in terms of our seats. I would challenge him when he says that the farm community of his constituency supports the goods and services tax and that they are going to be winners.

Why do we talk about the poll tax? I remember distinctly that we struggled in a federal election campaign not long ago. I cannot remember Conservative members across the country saying that if they were elected they would impose a 7 per cent or 9 per cent goods and services tax on the people of Canada. The hon. member for Mississauga South said it and he was

pooh-poohed by the Minister of Finance and the leader of the party, saying he was not speaking for the government.

In closing, I simply say that I look to the Conservative think tanks to see what ideas that they might come up with. When I see the Fraser Institute advocating a poll tax, and when I see cabinet ministers and the Social Credit government in British Columbia, good Conservative members, saying they believe that this is the route to go, I become very concerned.

The Acting Speaker (Mrs. Champagne): Resuming debate. The hon. member for Beauharois—Salaberry.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Madam Speaker, I always wonder when taking part in and listening closely to debates in this House if hon. members are talking for an audience in the Gallery or on TV or just for the sake of having something afterword to stuff in their bulk mailings.

We hear all kinds of things. We hear for example that we will not be re-elected, we only have 17 per cent support. Well, as far as I can remember, Madam Speaker, in our first mandate I think we went down to 22, 23 per cent, I wont argue on one percentage—

Mr. Gauthier: You bought the election after that!

Mr. Hudon: No. We even went down to something like 12 per cent in Quebec. The most important survey is done five minutes before the election. From 57 Conservative members in Quebec, we went to 62 Conservative members in Quebec.

When people are asked: Do you support the GST or not? This is tantamount to asking people: Are you for or against taxes? Of course people will say: "No, I oppose that". But when it comes down to understanding how the system will work, everything will become much more interesting. So referring to 17 per cent does not make much sense in my view.

And if hon. members from the NPD from time to time lecture on those horrible tax loopholes, how come, Madam Speaker, when came the time to vote on the flow—through shares, one of the largest tax loopholes ever in support of the mining industry—I am on complete agreement as to that—how come they supported it when we wanted to repeal it?

Mr. Champagne (Champlain): They even had an emergency debate on that.

Mr. Hudon: Indeed, Madam Speaker, the hon. member for Champlain suggests they even had an emergency debate on that. They are not listening because they are referring to the children's Bill of Rights. The children's Bill of rights was not enacted last week, we already have trouble enough maintaining a consistent position right now on the Canadian Charter of rights and freedoms and finding out what it implies. Before referring to a second charter, let us first implement the first one. And if they are so bright as to lecture us on the children's Bill of rights and develop a consistent position on it, Madam Speaker, why don't they develop a consistent and lasting position on Meech Lake? We can come up with new principles.

• (1840)

Same thing with the GST. So far I have given about 45 conferences on this tax without feeling any strong opposition to it except from groups that have not met with me. There is a case pending against the GST in the Beauharnois—Salaberry riding. It is happening everywhere. They are using the bishop of Valleyfield's paper, which he is sending everywhere, to mobilize people against the GST. They have taken over every golden age club I have met with one after the other. It is obvious. We will not ask people what they think. I will not ask my relatives whether they are for or against taxes. Everybody is against taxes. But it is not what they want to do. They do not really want a debate on the GST. They only want a bunch of signatures they can slam down on the Member's desk three weeks later saying: "See, your people are dead set against the tax." When did you ever give me the chance to defend myself and explain this project? Never. But we will not talk about that. Inconsistencies are not hard to find. I am anxious to see my colleagues from the Liberal Party.

I remember a debate that took place in Quebec during a referendum, a famous speech by the then Prime Minister Trudeau who talked about a "yes" that meant "no" and a "no" that meant "yes". Vote for the party and we will repatriate the Constitution in an honourable manner. We are putting our heads on the line. They even talked about the economic spin-offs from the F-18 contract that night. Yes, Quebec would get everything. Then the Conservative government came to power and gave the F-18 maintenance contract to Canadair in Quebec. Yesterday, in Winnipeg, their future leader

according to the polls—because they apparently believe in polls—their future leader from Quebec said it was horrible that Winnipeg did not get the F-18 maintenance contract. What will he tell Quebecers in his last mandate?

It is easy enough to tell. I am only trying to show that if you spit in the air, it will soon hit you in the face. I can not wait to hear what he will have to say in Quebec about the F-18 maintenance contract. I am also anxious to see the New Democrats go to Quebec with their inconsistent position regarding Meech Lake, because our consistent position in the debate on the GST and the budget is defendable. I told them: " Do not bother asking people if they are for or against taxes. They are against. Do not ask a government if it would rather risk its neck by proposing nothing. It will not like that."

Two budgets ago, when we had the same grocery list as our colleagues opposite, I went to buy a pack of cigarettes in Valleyfield—maybe it is not a good example to use—

Mr. Gauthier: Smoking is bad for your health!

Mr. Hudon: Smoking is indeed very bad for your health. A woman came up to me and said: "What a bunch of smart alecs you Conservatives are, raising taxes on cigarettes".

Mr. Gauthier: And she was right.

Mr. Hudon: I told her: "Yes, you're right. We are as unoriginal as our predecessors because we came up more or less with the same grocery list: gasoline, cigarettes and booze". And I added: "But the tax on cigarettes is the best you can dream of: when you don't want to pay it, you just don't smoke"!

We failed to explain clearly that the GST is a consumption tax. It stands to reason that low-income people consume less and spend less. Madam Speaker, the less we spend the lower the tax we pay. Members on the other side fail to point out that households earning $30,000 or less will be entitled to refunds because we want to help people whose family income falls within that range. The tax system stems from a cultural and historical evolution which dates back to a good many years. Madam Speaker, do you know why the manufacturer's tax came into being 75 years ago? At the time it was one way to tax rich people because all the others made whatever they needed for themselves. The idea was to tax the rich. Someone asked: What do rich people do with their money? They buy manufactured goods. So, that is what we will tax. If I were prime minister of a Moslem country I would tax pigs and European clothing because they are banned by religion.

A government does the same thing. At the time they wanted to tax rich people and manufactured goods, but what do rich people do with their money these days, Madam Speaker? They do not buy more goods, they use services.

The Acting Speaker (Mrs. Champagne): It being 6.45 p.m., pursuant to the order made Thursday, March 29, 1990 according to Standing Order 78, it is my duty to put forthwith every question necessary to dispose of the third reading of the Bill presently before the House.

[*English*]

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion, the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Champagne): Call in the members.

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

Government Orders

(Division No. 211)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bernier
Bertrand	Bjornson
Blackburn (Jonquière)	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Charest	Cole
Collins	Cooper
Corbeil	Corbett
Côté	Couture
Crosby (Halifax West)	Darling
DeBlois	de Cotret
Desjardins	Dobbie
Duplessis	Edwards
Fee	Ferland
Fontaine	Fretz
Friesen	Gibeau
Greene	Guilbault
Gustafson	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Horning	Hudon
Jacques	Johnson
Kempling	Kilgour (Edmonton Southeast)
Kindy	Koury
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Monteith
Moore	Nicholson
Oberle	Plourde
Porter	Pronovost
Redway	Reimer
Ricard	Richardson
Roy-Arcelin	Saint-Julien
Scott (Victoria—Haliburton)	Shields
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Turner (Halton—Peel)	Van de Walle
Vankoughnet	Vincent
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—111

NAYS

Members

Anawak	Arseneault
Assad	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Barrett
Bellemare	Benjamin
Blaikie	Blondin
Boudria	Brewin
Caccia	Catterall
Dingwall	Dionne
Duhamel	Edmonston
Ferguson	Flis
Foster	Gardiner
Gauthier	Harvard
Harvey (Edmonton East)	Hopkins
Hovdebo	Hunter
Jordan	Kaplan
Keyes	Kilger (Stormont—Dundas)
Kristiansen	Langan (Mission—Coquitlam)
Laporte	Lee
MacAulay	MacLellan
Manley	Marleau
McGuire	McLaughlin
Mifflin	Milliken
Mills	Mitchell
Murphy	Nault
Nystrom	Parent
Phinney	Proud
Rideout	Riis
Robichaud	Robinson
Simmons	Skelly (Comox—Alberni)
Speller	Stewart
Taylor	Vanclief
Wood	Young (Beaches—Woodbine)—64

• (1910)

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

Bill read the second time and referred to a legislative committee.

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

I am wondering if the hon. member for Miramichi might reconsider his decision to vote. I think he came into the Chamber a bit late. He is an experienced member. In the best interests of the House, it might be best if he were to reconsider his decision.

Some Hon. Members: Oh, oh!

Mr. Dionne: Madam Speaker, when I came into the House my Whip was still standing. However, I am in your hands.

Mr. Gauthier: Madam Speaker, technically all members of the House should hear the question before they vote. That is the only technicality that must be addressed.

If he or she heard the question, then he or she can vote. That is the only technical argument that one puts in relation to a vote.

Members must be seated before the vote starts so that there can be order in this place. I do not think there was any disorder caused by the hon. member for Miramichi. If he heard the question, then I cannot argue with him.

Mr. Dionne: Madam Speaker, I did indeed hear the question put.

Some Hon. Members: Hear, hear!

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 7.14 p.m., the House stands adjourned until 11 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 7.14 p.m.

HOUSE OF COMMONS

Tuesday, April 3, 1990

The House met at 11 a.m.

Prayers

[*English*]

PRIVILEGE

BUSINESS OF SUPPLY—SPEAKER'S RULING

Mr. Speaker: Yesterday the hon. House leader of the Official Opposition raised a question of privilege relating to events of Friday, March 30, 1990, a day designated as the first allotted day of the supply period ending June 30, 1990 under Standing Order 81(17).

The hon. member argued that the privileges of opposition members had been breached by the call for quorum made by the chief government Whip. Since this had resulted in a count-out, the Acting Speaker, pursuant to Standing Order 29(3), had declared the House adjourned. By count-out I mean there were not enough members in the House to provide a quorum.

The result, in the view of the hon. House leader of the Official Opposition, denied opposition members the right to debate the motion on an environmental action plan and so infringed their privileges. The hon. member seeks redress through the redesignation of a first allotted day for the current supply period.

The Chair will first deal with this key question. The provisions regarding quorum have been in existence since 1867. Standing Order 29(3), in place since 1982, provides additionally for a 15-minute bell to summon members. It reads as follows:

> If, during a sitting of the House, the attention of the Speaker is drawn to the lack of a quorum, the Speaker shall, upon determining that a quorum is lacking, order the bells to ring for no longer than fifteen minutes; thereupon a count of the Members present shall be taken, and if a quorum is still lacking, the Speaker shall adjourn the House until the next sitting day.

On Friday last, as the *Votes and Proceedings* indicate, no government members were present for the count. Faced with a count-out, the Acting Speaker declared the House adjourned.

The Chair has carefully reviewed the events of March 30, and it has noted that Orders of the Day were reached and debate duly begun on the opposition motion. Later, under the provisions of Standing Order 26(1), the House continued to sit beyond the ordinary hour of daily adjournment to consider the business before it. In other words, it was moved that the House sit beyond three o'clock that afternoon and that was sustained, so debate was continuing past the ordinary hour of adjournment which was three o'clock. That motion did not come from the government side; it came from the opposition side.

The hon. House leader of the Official Opposition argues that the quorum call by the chief government Whip truncated the debate and effectively robbed the opposition of its allotted day. However, under the circumstances, it is difficult for the Chair to conclude that the government must bear the sole responsibility for the House adjourning for want of a quorum.

It has often been argued that allotted days are a fundamental right of the opposition minorities in the House, offering a specific forum for debate on their concerns. If one accepts, as your Speaker does, that this perspective is accurate, then one is also left to conclude that the opposition must not only accept but would carefully guard the need to maintain a quorum for debate on its items of business.

The hon. member for Esquimalt—Juan de Fuca commented vigorously about the consequences of government members not responding to the quorum bells. As I said yesterday, this falls into the realm of tactics. I think I also added that what is sauce for the goose is sauce for the gander.

Arguably, if it so wished, the government could have marshalled 15 members to rise in their places and oppose

the extension of the sitting. This it did not do. The invocation of Standing Order 29(3) may have ended the debate earlier than the opposition might have wished, but its effect on the government side is not without considerable consequence as well.

Hon. members who had planned to speak on the motion may well be disappointed that this proved impossible, but a review of the circumstances offers no evidence that their rights were in any way interfered with or their privileges breached.

Let us turn now to the consequences of the count-out, namely the dropping of the continuing order for supply from the Order Paper.

The authorities are clear on this subject. Bourinot's fourth edition states at page 218:

> A "count out" will always supersede any question that is before the House; and if an order of the day for supply, or for the reading or committal of a bill, be under consideration at the time, and there is no quorum present, the House must be asked at a subsequent sitting to revive the question that may have lapsed in this way.

The hon. House leader for the Official Opposition cites Standing Order 82(1) which reads:

> At the commencement of each session, the House shall designate, by motion, a continuing Order of the Day for the consideration of the business of supply.

• (1110)

He goes on to contend that the loss of the continuing order carries dire consequences, namely the loss of all supply proceedings in this session, and that reinstatement of that order will re-establish the number of votable opposition motions available to the parties in opposition.

[*Translation*]

The hon. member for Ottawa—Vanier also raised with the Chair the status of the business of supply now before various standing committees of the House, I am referring to the Estimates for fiscal year 1990-91. He claimed that since the continuing order for supply was no longer on the order paper, standing committees no longer have the authority to continue consideration of Budget votes, at least not until the continuing order is reinstated. I must say the hon. member argued his case very convincingly. However, the Chair has great difficulty in accepting his statements.

It is true there are no precedents for this situation, but I fail to see how the loss of the continuing order for supply could erase previous decisions by the House to adopt interim supply or refer consideration of the Estimates to its committees. However, the fact remains that the House does not at this time have any mechanism for considering supply proceedings until a continuing order is reinstated on the order paper.

[*English*]

The Chair agrees with hon. members that a continuing order must be redesignated, but I do not see how last Friday's events could have simply erased the decisions the House has made to date on supply in this session. I refer hon. members to the document, *Status of Bills and Motions*, where pages 59 through 66 list the business of supply already considered by the House. I would note, in particular, the decisions of February 22, 1990, No. 31 on page 64 of the Status, referring the Main Estimates, 1990-1991 to standing committees where they are now under consideration.

The authorities are clear on the consequences of reviving a dropped order. I quote from Erskine May, twenty-first edition at page 315:

> If on such an order of the day procedure has been commenced and interrupted, the proceeding thus revived is set down for resumption at the position indicated by the last decision of the House entered upon the *Votes and Proceedings*.

I would therefore rule that once the order for supply has been re-established, the business of supply will resume at the point of the last House decision; namely awaiting the second allotted day in the current period to be designated. As far as the number of votable motions are concerned, we are also at the same point we were last Friday. There remain no more votable motions available in the current supply calendar.

Next, I would like to deal with the fourth and final point raised by the hon. member for Ottawa—Vanier. Put simply, he asks if the motion of the minister for the redesignation of the permanent order of supply is a debatable motion, pursuant to Standing Order 67(1), which reads as follows:

> (p) such other motion, made upon Routine Proceedings, as may be required for the observance of the proprieties of the House, the maintenance of its authority, the appointment or conduct of its officers, the management of its business, the arrangement of its proceedings, the correctness of its records, the fixing of its sitting days or the times of its meetings or adjournment.

The argument of the hon. member for Ottawa—Vanier was supported by the hon. member for Kingston and the Islands, who further argued that a July 3, 1917 precedent was not applicable because it dealt with reinstatement of a bill at second reading stage. He also claimed that Standing Order 67(1)(p) is the operative

mechanism to reinstate the supply proceedings ordered by way of notice and debate.

The July 3, 1917 case was indeed about a bill being reinstated and the Speaker did rule based on a quote of May's twelfth edition, page 219, that the motion did not require notice and was not subject to debate. Following this precedent there are others: Wednesday, March 12, 1919 and August 1, 1956, to mention only two. The latter is important because the House had just reviewed in 1955, the equivalent of Standing Order 67(1)(p), which was essentially worded the same as it is today. Yet a superseded order was reinstated on August 1, 1956, without debate or notice. It was not treated as the equivalent of Standing Order 67(1)(p).

I should also deal with the points of the hon. member for Kamloops who argued that a lapsed order for supply should be considered as a matter of confidence. On that point I shall only say that a lapsed order is not a decision of substance by the House. It is only the consequence of the House not having appointed a day for consideration of such an order. Furthermore, the motion before the House last Friday was due to expire without question put pursuant to Standing Order 81(17). It is therefore difficult to invoke the usual convention of a lost decision in the House on a matter of confidence.

The hon. member also referred to page 422 of Bourinot's fourth edition which refers to a lapsed order in committee of supply. Bourinot states clearly that this would require notice of a motion for the House to resolve itself into committee again. This reference relates to the 19th century British practice. The Chair has however found a more recent case in Canadian practice.

On June 9, 1938, an identical situation developed in committee of supply and the reinstatement for the House to resolve itself back into committee was brought forward on June 10, 1938, that is the next day, without debate or notice and no objection was taken. In any case, the whole supply process was completely revamped in the 1968 reform and the committee of supply was abolished. The present case is unique in our procedure and can only be treated as just another dropped or superseded order as the Chair can find no basis in logic, convention or common sense to treat it any differently.

In summary then, the Chair has found that the quorum call initiated by the government which resulted in the House adjourning for lack of quorum on an opposition day does not constitute a breach of the privileges of this House. Furthermore, the motion for the redesignation of the continuing order for supply does not require notice, is not subject to debate and can be moved forthwith by the minister.

I want to say something in this regard. Yesterday when the House reached motions, I had indicated by way of a comment earlier that at that point I invited the hon. House leader to respect the difficulties that we were in because it would have required me to make an immediate order on a complex series of points. The House leader courteously did that. But we had reached motions, and I now find that we have to deal with it on the basis as if the House leader was dealing with motions. If the House leader wishes to, I would invite him to move his motion now, because the delay is due to the fact that the Chair had to ask the indulgence of the House to reserve for the ruling.

ROUTINE PROCEEDINGS

[*English*]

SUPPLY

REDESIGNATION OF MOTION

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

That the continuing order of the day for the consideration of the business of supply in the name of the President of the Treasury Board be redesignated.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

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

(*Division No. 212*)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Clark (Brandon—Souris)
Cole
Cook
Corbett
Crosby (Halifax West)
Darling
de Cotret
Dobbie
Edwards
Fee
Fontaine
Friesen
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Kempling
Koury
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
McLean
Mitges
Moore
Nowlan
Plourde
Pronovost
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van de Walle
Venne
Vien
Weiner
Assiniboia)
Winegard
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clifford
Collins
Cooper
Côté
Danis
DeBlois
Desjardins
Duplessis
Epp
Ferland
Fretz
Gibeau
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Jacques
Johnson
Kindy
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McDermid
McKnight
Merrithew
Monteith
Nicholson
Oberle
Porter
Reimer
Richardson
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vézina
Vincent
Wilson (Swift Current—Maple Creek—
Wilson (Etobicoke Centre)
Worthy—131

NAYS

Members

Allmand
Anawak
Assad
Axworthy (Winnipeg South Centre)
Barrett
Bellemare
Blaikie
Brewin
Callbeck
Clancy
Dionne
Edmonston
Flis
Fulton
Gagliano
Gauthier
Harvey (Edmonton East)
Hovdebo
Jordan
Karpoff
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
Manley
McGuire
Milliken
Mitchell
Nault
Pagtakhan
Phinney
Rideout
Robichaud
Rocheleau
Skelly (Comox—Alberni)
Stewart
Vanclief
Young (Gloucester)—75
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bélair
Benjamin
Boudria
Caccia
Catterall
Dingwall
Duhamel
Ferguson
Foster
Gaffney
Gardiner
Harvard
Hopkins
Hunter
Kaplan
Keyes
Kristiansen
Laporte
Lee
Maheu
Marleau
Mifflin
Mills
Murphy
Nystrom
Peterson
Proud
Riis
Robinson
Simmons
Speller
Taylor
Volpe

The Acting Speaker (Mr. Paproski): I declare the motion carried.

* * *

OFFICIAL LANGUAGES

TABLING OF NINETEENTH ANNUAL REPORT

The Acting Speaker (Mr. Paproski): I have the honour to lay upon the table the nineteenth annual report of the Commissioner of Official Languages covering the calendar year 1989, pursuant to section 34(1) of the Official Languages Act.

Accordingly, pursuant to Standing Order 108(4)(a), this document is deemed permanently referred to the Standing Joint Committee on Official Languages.

* * *

ORDER IN COUNCIL APPOINTMENTS

REFERENCE TO STANDING COMMITTEES

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table, in both official languages, a

number of Order in Council appointments which were made by this government.

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

• (1200)

Mr. Speaker, I am also pleased to move:

That the House do now proceed to Orders of the Day.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

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

(Division No. 213)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Clifford
Collins
Corbett
Crosby (Halifax West)
Darling
de Cotret
Dobbie
Edwards
Fee
Fontaine
Gibeau
Guilbault
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Clark (Brandon—Souris)
Cole
Cooper
Côté
Danis
DeBlois
Desjardins
Duplessis
Epp
Ferland
Friesen
Greene
Gustafson
Halliday
Hawkes
Holtmann
Horning
Jacques
Johnson
Kilgour (Edmonton Southeast)
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
McCreath
McDougall (St. Paul's)
McLean
Mitges
Moore
Oberle
Plourde
Pronovost
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van de Walle
Vézina
Vincent
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Harvey (Chicoutimi)
Hogue
Horner
Hudon
James
Kempling
Koury
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Masse
McDermid
McKnight
Merrithew
Monteith
Nicholson
Plamondon
Porter
Reimer
Richardson
Saint-Julien
Shields
Sobeski
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Venne
Vien
Weiner
Worthy—123

NAYS

Members

Allmand
Anawak
Assad
Baker
Bellemare
Blaikie
Brewin
Clancy
Dionne
Edmonston
Flis
Fulton
Gagliano
Gauthier
Hopkins
Hunter
Kaplan
Keyes
Kristiansen
Laporte
Lee
Maheu
Marchi
McGuire
Milliken
Mitchell
Nystrom
Peterson
Proud
Riis
Robinson
Simmons
Speller
Taylor
Volpe
Young (Gloucester)—71
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Boudria
Callbeck
Dingwall
Duhamel
Ferguson
Foster
Gaffney
Gardiner
Harvard
Hovdebo
Jordan
Karpoff
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
Manley
Marleau
Mifflin
Mills
Nault
Pagtakhan
Phinney
Rideout
Robichaud
Rocheleau
Skelly (Comox—Alberni)
Stewart
Vanclief
Walker

• (1240)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C–62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, as reported (with amendments) from the Standing Committee on Finance.

Mr. Speaker: Two hon. members, the minister and the House leader of the New Democratic Party are both rising on a point of order. The hon. minister.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I could perhaps be helpful by being a little anticipatory here.

Yesterday, in my anxiety to make sure that the opposition was forewarned as soon as possible, one of my colleagues put forward notice under Standing Order 78(3), on advice that it was appropriate. That now seems to be the subject of question. Since I do not intend to proceed with the motion under Standing Order 78(3) today, it is really academic, and I will ensure that prior to it being moved, unless the opposition prepares to co–operate under Standing Order 78(1) or 78(2), I will provide the appropriate notice.

If that is a point of order, I just want to make sure that there is no dispute on this side of the House.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, this is a disappointment. I had a long procedural argument and stayed awake most of the night writing it. I am disappointed that I will not have a chance to make it. The government gave notice yesterday. It was inappropriate and a highly unusual turn of events. I thought it was actually a decision that the government had made, but I take the word of the Government House Leader that it was a mistake and the government should not have done what it did yesterday. We will wait to see what it will do later today.

Mr. Jean–Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I rose in my place yesterday after the Minister of State for Small Businesses gave notice to the House, as recorded in yesterday's *Hansard* at page 10102. At that time I did make the point that the notice of motion was, in my view, not in order and should not be accepted by the Chair. Of course, Mr. Speaker I do not have to put the arguments to you since the government recognized how weak a case it had.

Mr. Andre: Sit down!

Mr. Gauthier: Maybe I will sit down, but I would like to make sure that the House leader of the government stops being so scornful of this House and treating us with disdain. I wish he had a little more—

Mr. Speaker: I am sure that if there needs to be an argument, it could be carried on elsewhere.

The point of order was raised by the minister. The minister has withdrawn the notice. The House leader for the New Democratic Party and the House leader for the Official Opposition have commented on it and that is where it remains.

SPEAKER'S RULING

Mr. Speaker: We are now in Orders of the Day on Bill C–62. I must advise the House that I have certain rulings to make with respect to motions by way of amendment, which were filed up to the close of the *Notice Paper* at seven o'clock last night.

There are 90 motions in amendment set down on the *Notice Paper* for the report stage of Bill C–62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act. I have reviewed the motions and am now ready to make a ruling.

As hon. members will note, there are 68 motions in amendment standing in the name of the hon. member for Gloucester which seek to delete a separate clause of the bill, including the Schedule and the Title.

The effect of debating these motions, as I commented upon in a similar situation with respect to Bill C–20, an act to amend the Excise Tax Act and the Excise Act on October 10, 1989, is that the House will be virtually proceeding through a repetition of the second reading

debate. This manner of proceeding during the report stage causes the Chair serious concern.

Both Mr. Speaker Francis and I have expressed strong reservations about this procedure, and here I refer all hon. members to the debates of June 14, 1984 at pages 4680 and 4681, and of October 10, 1989 at pages 4464 and 4465.

Therefore, I should advise the House that in this instance while all such amendments will be debated and put to a vote, in a future circumstance the Chair may apply more vigorously the Speaker's power of selection of motions in amendment in strict accordance with Standing Order 76(5).

I regret that because of the short period of time between seven o'clock last night and this morning, the usual consultation on these motions has not been able to take place. That is nobody's fault. The fact that it has not taken place takes nothing away from a practice which we have been following now for quite some time and which I think is a very satisfactory practice as far as all hon. members are concerned and also a practice which makes it far more easy for the Speaker and the assistance I receive from the Table to deal with these things.

I ask hon. members to excuse the fact that we have not been able to consult since last night. As I say, that is nobody's fault, but it takes nothing away from our intention to consult as much as possible in all cases where it is possible.

Motions Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 31, 32, 33, 34, 35, 36, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85 and 90 standing in the name of the hon. member for Gloucester will be grouped for debate, and a vote on Motion No. 90 will apply to all the remaining motions in this group.

Motions Nos. 12 and 13, standing in the name of the hon. member for Yorkton—Melville, will be debated and voted upon separately.

Motions Nos. 14, 15 and 16, standing in the name of the hon. member for Yorkton—Melville, are admissible and will be grouped for debate but voted upon separately.

Motions Nos. 17 and 20, standing in the name of the hon. member for Yorkton—Melville, are in order. They will be debated together but voted upon separately.

Motions Nos. 18, 21, 22, 23 and 24, standing in the names of the hon. members for Yorkton—Melville and Mississauga West, are acceptable and will be debated together but voted upon separately.

Motions Nos. 19 and 86, standing in the name of the hon. member for Mississauga West, are in order. They will be grouped for debate with a vote on Motion No. 19 being applied to Motion No. 86.

• (1250)

Motion Nos. 25, 26, 27, 28, 29 and 30, standing in the names of the hon. members for Yorkton—Melville and Gloucester, are admissible. They will be grouped for debate but voted upon separately.

Motion Nos. 37, 38 and 56, standing in the names of the hon. members for Gloucester and Mississauga West, are acceptable. They will be debated together but voted upon separately.

Motion No. 88, standing in the name of the hon. member for Ontario is in order. It will be debated and voted upon separately.

Motion Nos. 87 and 89, standing in the names of the hon. members for Yorkton—Melville and Gloucester, are acceptable and will be grouped for debate but voted upon separately.

Just so that all hon. members understand the effect of grouping the numerous motions of the hon. member for Gloucester into a single debate and a single vote, I want to say that those particular amendments seek to delete *seriatim* a number of sections in the bill itself.

As I mentioned earlier, the effect is that it literally means that we would have a debate and a vote on each one which would amount to a repetition of second reading debate.

I want to point out that this ruling does not limit debate in a significant way with respect to report stage. I have done some careful calculations and under this ruling there will be eleven debates and 26 votes plus the final vote at report stage for concurrence. If one looks at the grouping there will be just under two hours of debating time for every member in the House, if that should be the will of the House. I am pointing that out because this ruling does not cut down on debate. I think

that it properly deals with a certain kind of amendment, an amendment to delete clause after clause after clause. It puts it all in one debate for one vote for the reasons that I have expressed.

I hope the hon. member for Gloucester will accept my ruling and co-operate with the Chair.

I will now put motions No. 1 to 11, 31-36, 39-55, 57-85 and 90 to the House. The motions are moved by the hon. member for Gloucester and seconded by the hon. member for Ottawa—Vanier.

The hon. member for Ottawa—Vanier on a point of Order.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I do not want to question your ruling in any way. I understand that consultations did not take place between the Table and the movers of the amendments. Therefore, I have to accept that there were circumstances which, in my language, would be abnormal in the sense that normally the person tabling a series of amendments, such as the member for Gloucester, would have been consulted as to the grouping of all the proposed amendments into one vote. There not being a common thread, the argument could have been made at that time that indeed individual and separate votes on every one of those amendments was in order.

Having said that, Mr. Speaker, I would take it that your admonition that we do not argue this point at this time would be for this occasion only. I do it with great hesitation, asking the Chair that perhaps on another occasion we could use the arguments that we would like to put forth whereby every one of those amendments is a substantive amendment and does not reflect on the principle of the bill, but rather that we object strongly to the clauses of this bill and would like to debate them and eliminate them one after the other.

Having said that, Mr. Speaker, you have notice of my intention to rise of this point at a later date.

Mr. Speaker: The hon. member for Ottawa—Vanier raises a point which is certainly not unexpected under the circumstances. I want to make it very clear to hon. members that I have made a ruling, but having said that, it is the right of hon. members at any time in the future to raise matters of order with the Chair. This is some indication of my thinking on the matter.

I say to the hon. member for Gloucester that I am sorry that there was not a chance for consultation but in this case, there wasn't. Hon. members know also that all table officers and the Chair were very busily engaged yesterday and last night on not just this matter but others. I will not say anything more than that.

If the hon. member for Ottawa—Vanier wants to raise this matter at another time, of course he is completely free to do so. I thank him for recognizing that when a ruling is made, he has to accept that. This is an example that can be used in discussion at another time and I would certainly not in any way make it impossible for the matter to be raised.

The hon. member knows that these are not always easy decisions to make, especially with a bill which is very contentious and I am aware of that. It is why I pointed out to hon. members that, at least at the moment, it would be very hard to say that there will not be very extensive debating time at report stage.

Mr. Peter Milliken (Kingston and the Islands): On a similar point of order, Mr. Speaker. The concern that we have is that in this case Your Honour has indicated there could not be consultations. We have not had an opportunity to make comments or submissions to Your Honour before the ruling was made. I recognize that it has been handed down. However, the difficulty we face is that the ruling that has now been made becomes a precedent along with others that have occurred in this matter. It seems the difficulty is that had each of the members of the opposition put forward one of the amendments to delete a clause and posted 77 different amendments by 77 different members instead of all from one, perhaps the grouping for debate would not have been as severe as it has been.

I just want to make it clear that while we cannot challenge Your Honour's ruling, and do not do so, we in fact accept it, but in future we would not want it to be regarded as a precedent that we are accepting in light of the fact that we did not have an opportunity to make submissions in advance of that ruling concerning which items might or might not be in the various groupings.

Mr. Speaker: As I indicated to the hon. member for Ottawa—Vanier and all members a moment ago, any time members want to rise on a matter of order in which they question or wish to consult with the Speaker, or make recommendations to the Speaker and through the Speaker to other members of the House, that is a perfectly normal practice here. I am not going to preclude that.

I also point out that the House has the power to change the standing orders and I refer specifically to Standing Order 76(5). Those standing orders give very strong powers of selection of motions to the Speaker. That is where the authority is given to me by all members of the House. If members want to change that, that is a matter for members to consider.

I thank the hon. member for his intervention.

The Acting Speaker (Mr. Paproski): It being one o'clock, I do now leave the chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the just released discussion paper, *The Green Plan*, is the first attempt of the Minister of the Environment to consult the public after failing to obtain approval for his environmental agenda, drafted in secrecy and rejected earlier this year.

The discussion paper ignores Tory budget cuts to environmental protection, research on alternative and renewable sources of energy, research on toxicology, wildlife, et cetera.

The paper lacks substance, lacks a sense of urgency, and lacks political will. It is the product of a cabinet constantly being dragged into the environment debate but not really committed to change.

The paper raises yesterday's questions which set back the environmental agenda by several years. Because of all this, Canadians should come forward, ask the relevant questions and help formulate the difficult answers. Then it will be the minister's task to prove that this government wants to act on the protection of the environment and implementation of sustainable development.

Clearly it has been left to Canadians to define the real environmental agenda.

* * *

MEECH LAKE ACCORD

Mr. Bill Vankoughnet (Hastings—Frontenac—Lennox and Addington): Mr. Speaker, the Meech Lake companion resolution is a laudable initiative.

The accord itself, even with its imperfections, may also deserve broader support, except for one item: the distinct society clause.

The distinct society clause or phrase is found in a clause without definition or parameters. We must conclude therefore that it may be interpreted in a variety of ways.

Canadians have expressed their concern about the ambiguous distinct society clause. A paragraph in the preamble establishing some parameters provided by the Supreme Court of Canada would address those concerns whether before or at an agreed extension to the June 23 deadline.

Most would agree that a whole Canada is in everyone's best interest. Flexibility, compromise and tolerance are parts of the Canadian way. I am confident that Canadians, as in the past, will rise above their problems for the good of all and for the good of this great country, Canada.

* * *

LITHUANIA

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, representatives of the Lithuanian Parliament are visiting Moscow today. President Landsbergis acknowledges that the re-establishment of their independence presents constitutional problems for the Soviet Union.

Some people are of the view that Canada should not be putting pressure on Mikhail Gorbachev over the

Lithuanian situation. However, as President Landsbergis asks, are the democratic nations willing to sell Lithuania to the Soviet Union once more?

How should Canada respond? As a first step we could give Lithuania diplomatic recognition. Remember the Soviet Union has admitted Lithuania was incorporated into the U.S.S.R. illegally, and Canada has never accepted Lithuania's annexation.

The historic events which have occurred over the past year have been breathtaking. Country after country have turned their backs on communism and are now struggling to build a democratic government.

Now is the time for Canada to stand firmly beside our friends in Lithuania, Latvia and Estonia to ensure their dreams of independence are realized.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Phillip Edmonston (Chambly): Mr. Speaker, this afternoon and later this week, hon. members will vote on Bill C-62, the famous goods and services tax bill.

An Hon. Member: Hear, hear!

Mr. Edmonston: If the bill is passed, this tax will be the biggest and most unfair tax grab in Canada's history. Nearly 80 per cent of Canadians in this country are opposed to this tax.

An Hon. Member: That's not true!

Mr. Edmonston: Canadians believe, and rightly so, that this tax will result in higher taxes, higher inflation and interest rates, and an increase in the unemployment rate, especially in Quebec.

We urge all Quebecers to call their respective Conservative members, those so-called defenders of Quebec, and tell them to vote against this tax grab, Mr. Speaker.

I would also ask the members for Lévis (Mr. Fontaine), Mégantic—Compton—Stanstead (Mr. Gérin), Richelieu (Mr. Plamondon) and Verdun—Saint-Paul (Mr. Chartrand) to have the courage to act according to their principles and vote against this unfair sales tax.

An Hon. Member: Call them now!

[*English*]

CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the emperor of Canada Post has new clothes: 27,000 uniforms to be precise. The problem is that the emperor does not have to wear these clothes himself, only his subjects do.

Mind you, there is hope. Some of the emperor's disciples have now been heard wishing that they too could have the company pay for 100 per cent of their wardrobe. Maybe that wish should be granted. Maybe the emperor should require that all his managers wear the uniform. After all what is sauce for the goose is sauce for the gander, as my colleagues from Newfoundland would say.

There is also a problem with the style of the emperor's new clothes which the wearers say are ill fitting, impractical and unsafe. "Not so", says the emperor's designers, "the style is easy to understand and easy to wear". Does that reflect the corporation's opinion of the employee?

Finally there is the matter of the emperor's diminishing loyalty to the Crown. Why does the uniform no longer carry either the name or the flag of the country? Has the emperor sought the approval of cabinet for this matter? Has cabinet even considered the issue?

In these trying times one only wishes the emperor the wisdom of Solomon and the patience of Job, both qualities which he lacks.

* * *

[*Translation*]

BERGEN CONFERENCE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Bergen Conference of European and North American States will take place from May 8 to May 16, 1990. The conference is a major step in a process that started with the publication of the Brundtland Report, leading up to the UN conference on environment and development in 1992. Canada has been a staunch supporter of the Bergen Conference.

Environment Canada will be the Canadian government's main participant at this Conference. The delegation will be headed by the Hon. Lucien Bouchard and

will include both government representatives and representatives of non-governmental sectors.

To promote full participation by Canada's youth, about $60,000 was allocated to bring young people from all parts of the country together to prepare a Canadian youth action plan and send five representatives to the Bergen Conference.

* * *

[*English*]

MURPHY AVIATION

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, Murphy Aviation of Chilliwack is a five year old company that is making itself known world-wide. Doubling its gross annually for the past three years, Murphy delivered 120-plus aircraft kits in 1989. Ninety per cent of Murphy's business is exported to over 18 countries including Japan, France, the United Kingdom and Australia.

Murphy builds only the best by employing the best. In fact former de Havilland aeronautical engineer, the legendary Richard Hiscock, is helping Murphy develop a new, all metal, three seater high wing aircraft called a Rebel.

The Rebel will use a Rotax engine built in Austria by a Bombardier subsidiary. Employing 20 people, Murphy is an example of what a small company can achieve through dedication and hard work.

Murphy Aviation is building a solid future for itself, for Chilliwack and for Canada. Indeed, Murphy Aviation is yet another of the many success stories from the riding of Fraser Valley East.

It was my pleasure to attend its open house and I say: "Congratulations, keep up the good job".

* * *

GOODS AND SERVICES TAX

Mr. Jim Peterson (Willowdale): Mr. Speaker, I rise once again in protest of the GST.

Before me I have over 5,000 petitions collected by the Toronto Real Estate Board. The goods and services tax affects the real estate industry in a number of very profound ways.

First, in Willowdale the average price of a home will go up over $10,000 because of this tax. When we have over 20,000 homeless in Toronto and 200,000 homeless in Canada, this is going in the wrong direction.

Second, many small and medium sized real estate firms will have to go out of business because of the tax burden on their operations.

• (1410)

Third, agents are going to be asked to collect the tax on top of their commissions. Customers will refuse to pay it. Agents are going to lose.

It is one more example of the protest of Canadians and why this unfair tax must be abolished.

* * *

GOODS AND SERVICES TAX

Mr. Ross Harvey (Edmonton East): Mr. Speaker, very soon members of this House will be voting on the hated goods and services tax. Close to 80 per cent of Canadians across the country oppose the tax, but the government has chosen not to listen to the people.

Only 21 of 167 Conservative MPs need to vote with the combined opposition parties to defeat the tax, so we are urging Canadians across the country to phone their Conservative members of Parliament and tell them to vote against the GST.

In my province of Alberta people opposed to the GST could call Murray Dorin in Edmonton Northwest at 454-1220. They could call Scott Thorkelson in Edmonton—Strathcona at 439-8900. They could call Jack Shields in Athabasca at 743-2498. They could call Ken Hughes in Macleod at 938-5005. They could call Brian O'Kurley in Elk Island at 467-4944. They could call Walter Van De Walle in St. Albert at 459-8413. They could call Doug Fee in Red Deer at 342-7222—

Mr. Speaker: The hon. member's calls have expired.

* * *

CANADIAN CANCER SOCIETY

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, every year thousands of Canadians give a few hours of their time to help the Canadian Cancer Society in its April fund raising campaign. More than 90 cents of every dollar raised goes to cancer research, patient services and public education.

When the Canadian Cancer Society volunteer calls, please give generously. Cancer can be beaten.

* * *

MULTICULTURALISM

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, hon. members and government members opposite may truly wonder who is listening and via which medium as Parliament debates the issues that concern the future of Canada. The answer has implications for policy affecting Toronto specifically and Canada's growing ethnocultural communities in general.

In a Neilsen survey for November, CFMT-TV, a multilingual TV station which reaches some 25 per cent of all Toronto area households, that is 495,085 of them, was found to be the main source of news for all Canadians.

For example, 70 per cent of all Italo-Canadians watch the station; 85 per cent of all Portuguese Canadians in the metro area and 60 per cent of all Chinese Canadians also watch. Together, for the minister's information, all of those nationalities represent some 50 per cent of metro inhabitants.

I recommend to the Minister of Communications and his colleagues in cabinet that they read the Neilsen graphs and start putting social and cultural policies in the larger context. I might advise the ministers that there is a different world out there, and it is time the government woke up to that reality as it considers constitutional and other changes.

* * *

FISHERIES

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, lobster fishermen along the north shore of Nova Scotia and New Brunswick from Shediac to Malagash have asked the Department of Fisheries and Oceans to increase the carapace size of lobsters from two and one-quarter inches to two and five-eighths inches this year and then another one-eighth inch again next year.

This action is a conservation measure and would allow lobsters to grow longer, resulting in a better fishery. The fishermen and processors in the three ports of Pugwash, Wallace and Malagash are so determined to see this policy implemented that all have voluntarily agreed to restrict their own catches to the increased size.

If the fishermen are prepared to take this action, I respectfully request that the Minister of Fisheries and Oceans address their proposal and change the policy to reflect the wishes of the industry.

* * *

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, soon members of Parliament will be voting on the goods and services tax. If passed, this tax would bring in the biggest and most unfair tax haul in Canadian history.

Close to 80 per cent of Canadians across this country oppose this tax, but only 21 of the 167 Conservative MPs need to vote with the combined opposition parties to defeat this tax and stop the GST.

Several Conservatives have already said they cannot support the GST, and we are urging Canadians across the country to phone their Conservative member of Parliament.

I call on the following Conservative members of Parliament to have the courage to stand up to their constituents and oppose this unjust tax. The hon. member for Okanagan—Centre at 776-3337, Cariboo—Chilcotin at 392-2626, Fraser Valley East at 792-3311, Delta at 946-7858, from the Fraser Valley West constituency at 856-0878, and others; from Wild Rose at 948-3737, from Edmonton South East—

Mr. Speaker: The hon. member's time has expired.

* * *

[*Translation*]

CLUB ACADIEN DE SEPT-ÎLES

Mr. Charles A. Langlois (Manicouagan): Mr. Speaker, the Club Acadien de Sept-Îles is celebrating its twenty-fifth anniversary this year, and 1990 is thus an important milestone in the history of the Acadian community in Sept-Îles.

The organization, founded 25 years ago by Acadians who settled in Sept-Îles in the early 50s, has been actively involved in the economic, social and religious life of our city and the entire region.

The Club Acadien de Sept-Îles has been very active in ways that have helped make Sept-Îles a very attractive community and a wonderful place to live.

Mr. Speaker, I want to ask all members of this House, and especially the Acadians among them, to join me in paying tribute to the Acadian community of Sept-Îles on this important occasion.

ORAL QUESTION PERIOD

[*English*]

THE ENVIRONMENT

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of the Environment.

In his discussion framework on the environment, which he published last week, the minister said: "Responding to the problem of global warming will be a formidable challenge—If we wait for all the answers, we will no doubt be too late."

Yet, in Alberta yesterday, the Minister of Energy, Mines and Resources said that the government had agreed to drop national targets for cutting air pollution, and further, that Ottawa had no intention of penalizing provinces that were responsible for high levels of greenhouse gases like carbon dioxide.

How could he allow the Minister of Energy, Mines and Resources to agree to drop national commitments and targets for cutting air pollution, and if he has done that, does it not mean that he and the government as a whole think that his exercise in considering changes in the environmental policy of this country is nothing more than a sham and a public relations exercise?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, the Leader of the Opposition should read more carefully the communiqué that was released yesterday by the federal Minister of Energy, Mines and Resources.

The first thing that he must note in this communiqué is that the ministers have decided that we must pursue, on a national and provincial level, the reduction of CO_2 emissions through as tough measures as possible.

They have also decided that this problem must be put into the context of the international scene. I agree completely with that. No definitive solution will be brought forward on this without the full agreement of everyone involved in this pollution.

Canada will not give up its leadership role on this, and this government strongly feels that we must not exclude the possibility of going as far as making unilateral commitments if it can help with the development of an international convention.

Canada is very serious and we will never make a commitment without being sure that it will be fulfilled. Canada makes commitments when she can fulfil them. The way to do it is to define beforehand the right means of achieving the commitment.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister knows that in 1988 his government made an international commitment to cut greenhouse gases like carbon dioxide by 20 per cent by the year 2005.

Does the government still maintain this international commitment? If so, how can it do it without having targets in this country for cutting air pollution?

• (1420)

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, it is very important on such a major issue not to distort the facts. Canada never made any commitment at the Toronto conference and no country in the world made a commitment like this. We still have to wait for one country to make the commitment. It is a very serious commitment and we will do it together.

As the hon. member knows, there will be a very important international conference in Brazil in 1992. This will be the forum where Canada will lead the world in signing an international convention on climate change.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Environment seems to have been contradicted not only by the Minister of Energy, Mines and Resources, but also by the Minister of Finance.

Last week, the Minister of Environment stated on television that he had secured from his government for his Green Plan "a spending commitment". Yet, Mr. Speaker, the Minister of Finance stated last Friday that the amount to be allocated had not yet been determined.

I therefore ask the minister who is telling the truth? He who stated that the amount to be allocated has already been set, or the Minister of Finance who stated that there is no such commitment? Who is telling the truth about this?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I note that the Leader of the Opposition is reading his questions, but that he does not read the replies he gets to his questions.

An Hon. Member: There has been no reply!

Mr. Bouchard (Lac-Saint-Jean): If the Leader of the Opposition will only refer to the reply given by the Minister of Finance, he will see that the Minister stated first that a portion of this year's budgetary reserves will be allocated to the action plan and that it is large enough to allow us by next fall to submit to the Canadian people a five-year plan which will be the first of its kind in the history of Canada by its scope and global nature. Moreover, the minister added that he wanted to maintain some flexibility in the funds already allocated, so that the consultation may be truly meaningful, and I hope that, if Canadians participate fully in this consultation, we will be able then, if necessary, to adjust the resources already allocated on the basis of the newly expressed needs.

* * *

GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is directed to the Minister of Finance. The government has always claimed that one of the benefits of the GST would be its visibility. Now, could the Minister of Finance admit today that there is no clause in Bill C-62 that would compel a retailer to provide a receipt or a bill indicating clearly that the consumer had truly paid the 7 per cent goods and services tax on the item or service purchased?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, our position on this is quite clear. The proposal that we have put forward is that the retailer should include the tax in the price on the shelf, on the tag on the jacket, or whatever, but at the checkout counter when the money is paid, the amount should be broken down as between the GST paid and the price of the article being purchased.

We have also made provision so that the cost of point of sale equipment, cash registers, things like this, will be reduced by 20 per cent in its after-tax value to encourage retailers to put themselves in a position where they can comply with that type of proposal.

I also ask the hon. member to consider this: The essence of the amendments that he has made to the bill is to scrap the bill.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): What does that do? That gets us right back to a tax which today is totally invisible. The hon. member does not know, and no one can tell from the price of a product, how much the tax is on any particular product, but there is tax on everything that we buy today. The clear position of the hon. member's party is to go back to a totally hidden tax, quite contrary to the position that he is fostering right now.

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary for the minister. Major suppliers of cash registers and point of sale equipment have made it very clear that the proposal put forward by the government is going to cause a chaotic situation for retailers as well as consumers in Canada.

In view of the fact that people who know small business best were still saying as late as last night that this is going to be an administrative nightmare, will the minister not recognize that the government's proposal is in fact going to create an administrative nightmare for small business and consumers in Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not accept that. I do accept the fact that there will be some increased compliance burden on the part of small business, that there will be some adjustments to be made as they understand the nature of the tax and how it affects the cost of their purchases and the pricing of their products. Once they achieve an understanding of this, the operation of the tax is simple to comply with.

I would also encourage the hon. member to reflect on what he said in his first question and to ask himself as well as his leader why the Liberal party is advocating a return to a tax that is so deeply hidden that no one in this country knows the amount of federal sales tax they are paying in the price of any product today. Why does the Liberal party want a hidden tax? Why do they want to return to that and try to fool Canadians that there is no

tax in the price of a product today, when he knows perfectly well there is.

* * *

THE ENVIRONMENT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of the Environment. We talked earlier about the international agreement that was made in 1988 to reduce carbon dioxide emissions by 20 per cent by the year 2005. Everyone was going to give this serious consideration. The minister's own report released this weekend says: "Canada is the world's fourth largest producer of carbon dioxide on a per capita basis".

Clearly, Canada has a responsibility to show some leadership rather than simply saying "Yes, we will think globally, but we won't do anything locally."

Other countries have made the commitment to take some leadership on this issue and cut emissions now. They include countries like Norway, Sweden, and Denmark. Will the minister commit himself and his government to set targets now for a 20 per cent CO_2 reduction by the year 2005?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I think that we must straighten out the fact which has been expressed in the question. The Toronto conference in 1988 did not conclude with an agreement. It was an international conference which issued a report recommending that countries of the world make a commitment to reduce the emission of CO_2 by 20 per cent by the year 2005.

Since then all the countries of the world have been trying to define how it can be achieved. Canada is at the forefront of those countries.

While we were in Norway a few months ago we strongly supported and actually led a statement agreeing that we must stabilize the level of CO_2 emissions by the year 2000 at the 1988 level. People know that Canada is probably one of the most advanced countries in this objective. Canada must make a commitment, but the only way to achieve a real result would be to do it through an international convention because Canada accounts for only 2 per cent of the CO_2 problem of the world.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary is to the same minister. The only way to do something is to do it, and that is what Canadians are asking of this government.

What this government has been good at is studying studies. In fact, after the 1988 conference and that recommendation, the former energy minister did commission a study from DPA Consulting to study CO_2 emission and targeting.

It its report to the government, DPA Consulting said that by setting that objective of a 20 per cent reduction by the year 2005 we could not only save the environment, we could save money, some $100 billion in those years as a result of reducing carbon dioxide. That is $4,000 for every man, woman and child.

It does not need to be studied yet again. It is quite clear that we have to do something now. When is he going to set targets? When is he going to meet this objective?

• (1430)

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, in response to the hon member's question, when she puts forward the DPA consultants' report, I think it is important to take a look at what the Minister of the Environment has said about the 1988 conference which is absolutely correct.

What happened after 1988 was that energy ministers established a task force for the purpose of determining how we could meet or move toward that 20 per cent target from the point of view of the energy portfolios, provincially and territorially on the one hand, and federally on the other.

The DPA consultants' study was a study commissioned by the task force set up by provincial and federal energy ministers. At yesterday's meeting in Kananaskis the task force clearly reported to the ministers that it did not agree with the DPA consultants' study. It does not believe that that target can be met in the manner in which DPA has put it forward.

The task force gave us indications of how we could move toward the 20 per cent target. That is why the Minister of the Environment and others of us are going to get into the consultation, which is the route to go as opposed to one which is based simply on an illogical

approach, something which the hon. member so often puts forward.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): My supplementary is for the Minister of the Environment. The Minister came up yesterday with the idea for a new tax, an environmental tax as he called it. My question is for the Minister who is looking for money. How much did he spend last week to have his news conference on his Green Plan broadcasted via satellite?

[*English*]

Mr. Speaker: The minister may want to respond.

[*Translation*]

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, it is my understanding that the question would better be dealt with at another level than the House of Commons. I will gladly disclose all the information that might be required on that subject. There is nothing to hide. We are most willing to do that. I would point out, however, that the leader of the New Democratic Party neglected a very important aspect of our plan. Consultation has just started—

Some Hon. Members: Order!

Mr. Bouchard (Lac-Saint-Jean): Mr. Speaker, I would like to be given a chance to answer the question, if I may. The consultation process that has just begun is crucial. I believe this whole House should support a process that will give our country its first five-year environmental action plan. And we will be the first country in the world to have one. I urge the leader of the New Democratic Party to give us her support.

* * *

[*English*]

OFFICIAL LANGUAGES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Commissioner of Official Languages tabled his report in the House today.

In the annual report the Commissioner gives the government failing grades on its application of the new official language law. The government put up no information program. It co-ordinated no campaign. It did nothing to counter the divisive misinformation spread by certain groups and individuals in this country.

This government has failed to communicate to Canadians the objectives and provisions of linguistic reform.

I ask the Prime Minister to show some firm leadership on this issue, to instruct his ministers to stand in their places—20 months after the adoption by this House of an official language law—and give it regulations. For God's sake, let us have some courage and do what we have to do here in this House.

[*Translation*]

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, as the hon. member knows perfectly well, Bill C-72 provides for a special and complex process. It provides for consultation with minority groups, and I can inform the House that most of these consultations have taken place. They have indicated the need for some changes in the draft regulations submitted to these groups. These changes are now being made. Once the consultation process is complete, the government will decide when the draft regulations will be tabled in the House.

Finally, I can say that this government is deeply committed to this process. Our purpose in tabling the regulations on C-72 will be to adopt official languages regulations that are fair and equitable for all Canadians.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Commissioner of Official Languages stressed the inertia of federal departments and agencies. They are stuck between the new legislation and 20 years' worth of obsolete guidelines.

Mr. Speaker, I put this question to the President of the Treasury Board for the fourth time this year. Considering the lack of leadership afflicting federal departments and agencies today, leadership that is the responsibility of the minister, as employer but also as minister responsible for official languages, will the minister have the courage to table his regulations very shortly, since, as we know, the consultation process is complete?

I also want to know, since he claims he is still consulting, who he is consulting with? With his American friends?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, any inertia was caused by our colleagues opposite who, for 19 years, failed to take any action at all.

Mr. Speaker, since Bill C-72 was passed, in addition to the consultations on the regulations to be tabled in this House, Treasury Board introduced for Crown corporations operating under a memorandum of agreement the same system that applied to departments. As far as the department are concerned, at the time, four memoranda of agreement were in force; we negotiated 25.

I would like to quote what the Commissioner of Official Languages said on page 53 of his report. He said, and I quote: "Greater than the increase in the number of bilingual positions and more indicative of the capacity of the Public Service to serve the public in both languages is the increase in the number of bilingual employees in both relative and absolute terms".

The ratio of bilingual employees rose from 28 per cent in 1984 to 33 per cent in 1989, and this is something the government can be proud of.

* * *

TOURISM

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is directed to the minister responsible for tourism. Package tour organizers in the northeastern United States warn us of the harmful effects the GST will have on the Canadian tourism industry and more particularly on Quebec, where tourism is the fourth largest industry.

If the minister understands the threat the GST poses for tourism, what does he intend to do to help this industry now?

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am happy to tell the hon. member that most of what he has asked for has already been done as of the end of last week.

If the hon. member will read the bill, which has been reported from the committee, he will see there have been changes made exactly as he suggests. I support those changes. It will be good for the tourism industry and good for the Province of Quebec.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, how can the minister explain that, since the tour operators are critical of your proposed rebate system? What do you intend to do to rectify the situation now?

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, this is how the rebate system should work. I hope it will be put in place this way and that it can be accommodated under the legislation as it has been reported.

When a group tour is organized the entrepreneurs of the tour will be able to apply for a rebate of the GST on behalf of the clients on the tour, thus making the whole process easier. This will make the GST not a problem for the clients.

This is a streamlining of the rebate system for which I have fought in the last two or three months. The Minister of Finance supports it. The finance committee of the House supports it. I hope the hon. member will support it too.

* * *

GOODS AND SERVICES TAX

Mr. Lorne Nystrom (Yorkton—Melville): I have a question for the Minister of Finance.

I have in my hand a copy of a letter written to John Bulloch from the Sweda Cash Register Company. It is addressed "Dear John".

Some Hon. Members: Oh, oh!

• (1440)

Mr. Nystrom: The letter explains that there is no way the cash registers of the country will be ready by January 1, 1991 for collecting the GST. It states in part: "We sincerely believe that this will result in a chaotic situation with retailers, who we firmly believe will be unable to collect the GST under the prevailing circumstances".

In light of the fact that there will be cash register and consumer chaos, is the minister in a position to stand up in the House today and admit that there is no way that he can meet the deadline of January 1, 1991, that he has come to his senses and that he will withdraw the GST bill now?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, it might occur to the hon. member that one of the reasons why there might possibly be difficulty in companies meeting the demands is because business has been so good for the small business community that it has been ordering so many of these cash registers it is difficult for the cash register companies to meet this extraordinary demand.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): I know the hon. member is quite aware that we have put forward two proposals already for streamlined accounting to help the small business community in meeting the requirements of the GST.

My colleague, the Minister of National Revenue, has at least one other proposal for streamlined accounting under consideration.

These will be in place to assist the small business community in meeting the requirements of the GST. I believe that this and a number of other things that I have talked about before in this House demonstrate quite clearly our sensitivity to the concerns of the small business community, as it approaches the requirements of the GST in January, 1991.

Mr. Lorne Nystrom (Yorkton—Melville): If I may, Mr. Speaker, I will send a copy of the letter to the minister to help educate him on the problems with cash registers, if I can have a Page bring that to the Minister of Finance.

Some Hon. Members: Order!

[*Translation*]

Mr. Nystrom: Mr. Speaker, in the province of Quebec, the Prime Minister's home province, Michel Décary, who works with Mr. Bullock, told the Quebec Finance Minister that the GST is a real nightmare for small and medium-sized businesses because the cash registers will not be converted in time to handle two separate taxes.

Mr. Speaker, my question is: Given this serious problem, how will Canadians know exactly what tax they will pay with the GST? Does the Minister of Finance have an answer to this important question for all Canadians this afternoon?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I understand the attitude of many people in the small business community. They would prefer not to make changes. People can understand people who would prefer not to make changes.

When we look at the benefits that are going to be brought forward by the introduction of the goods and services tax, we see how it will help businesses which are competing today, and how it will put those businesses on a level playing field with the imports with which they compete. Canadian businesses are now paying one-third more tax than the imports that they are competing with.

These are the clear benefits that are in place. While there may be some difficulties as the small business community encounters that need for change, once that change is behind it the benefits are going to be very, very clear.

We have put in place a payment of up to $1,000 which will pay small businesses to help them get over this transitional hurdle. We have also put in place the small business streamlined accounting. As well, we are making it less of a requirement for them to make the payments of the taxes than we are for big business. There are a number of ways in which we have helped the small business community—

Mr. Speaker: The hon. member for Markham—Whitchurch—Stouffville.

* * *

GUN CONTROL

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Minister of Justice. I have two points concerning gun control legislation.

First, why the delay? After the recent tragedy at the École Polytechnique in Montreal I thought we would have seen legislation passed or entered in this House very quickly.

Second, can the minister assure members of the House that the process of applying for a licence for a firearm will be much more rigorous and thorough in order to help prevent a massacre such as occurred in Montreal?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I would like to thank the hon. member for his question.

Some Hon. Members: Oh, oh!

Ms. Campbell (Vancouver Centre): I will confess to the House to having had prior notice of the question, but I am sure the House will agree that it is an excellent question.

Some Hon. Members: Hear, hear!

Ms. Campbell (Vancouver Centre): I would also assure the House that the hon. member has asked it based on his own very sincere interest in this particular issue.

I am pleased to advise him that I am finalizing my discussions on this matter. The government will introduce legislation as soon as possible. That legislation will recognize the principle that the hon. member addressed, that is, measures to promote greater safety and responsibility in the acquisition of firearms.

I look forward to the support of all members of the House when this legislation is brought forward.

* * *

[*Translation*]

TRADE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Prime Minister. Last weekend the Prime Minister indicated he would support moves by Mexico to strike a free-trade deal with the United States. He also said recently that he would not be shocked by the eventual creation of a North American free-trade zone including Mexico and that such a zone could materialize in the next decade. My question is this: Does the Prime Minister intend to involve Canada in a process to create this free-trade zone with the United States and Mexico? Yes or no?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Hon. Member should have read carefully my speech as reported in today's paper. The article in *The Globe and Mail* says that:

[*English*]

> Prime Minister Brian Mulroney yesterday offered warm words of encouragement for new Mexican trade initiatives but stopped just short of formally backing a free-trade deal between Mexico and the United States.

I indicated yesterday in Montreal, as I have indicated in other circumstances, that I believe the best way for developing countries to achieve prosperity and social justice is to be given the opportunity to enhance their trade, to have greater access to rich and dynamic markets and to have a greater facility to develop national wealth by trading internationally. Greater trade abroad creates jobs at home.

I believe that unless you adopt that kind of philosophy the rich continue to get richer and the poor stagnate.

I am very surprised to see that my hon. friend from the Liberal party would do anything other than encourage the Government of Canada, which is encouraging as best we can the Government of Mexico and others, to seek more liberalized trading arrangements with their partners and around the world.

[*Translation*]

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the Prime Minister did not answer my question. I want to know whether or not he supports Mexico's initiative?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Mexican government does not need Canada's support. It may decide to initiate a dialogue with the Americans or the Brazilians. As far as I know, however, they have not entered into negotiations with their southern or their northern neighbours. I told Mexicans I would not be surprised to see a country such as theirs seek more liberalized trading arrangements with their neighbours to the north or the south. It seems only normal that a developing country like Mexico would be studying that possibility, since the G-7 countries have described the Canada-United-States free-trade agreement as a model for the whole world. If that is the case, the Mexicans could benefit from it, much to their credit.

[*English*]

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is for the acting Minister of Fisheries.

In view of the extraordinary gap in the maritime surveillance off Canada's coastline—the longest in the world—and particularly in light of Recommendation 22 of the Harris report regarding the provision of additional resources to undertake this task, could the minister inform the House precisely what action he plans to redress this serious deficiency?

• (1450)

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, permit me to answer on behalf of the Minister of Fisheries who is, as the hon. member will know, on the east coast consulting on precisely these matters.

As I understand it there has just been a contract signed with a private sector firm in St. John's, Newfoundland. It is a contract which will result in the doubling of the hours that will be contributed to surveillance. Much better technology will be employed. Our capacity to know what goes on off the east coast will be much, much improved.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I know about that, and I thank the hon. minister for refreshing my memory.

That does not even make up for the 1,400 hours that the trackers are going to lose. That is a drop in the bucket.

You can have good science, good laws, good regulations and all the resources in the world, but unless there is proper and sufficient surveillance, monitoring and control of the fish stocks we are fighting a losing war.

The fishermen, the scientists, the bureaucrats and the task forces are all telling him, as we and the world are telling him, there is a need for real action now by this government to control over-fishing. The question is when is the minister going to get on with it?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, the hon. member just admitted that his memory had to be refreshed about the contract that was just signed.

The trackers covered roughly 1,700 hours of tracking. The new contract will cover 3,815 hours of tracking. There will be 33 new additional jobs contributed to this particular activity. There will be new technology. For instance, the Litton V-5 search radar which is the latest development in the world will be employed in this particular exercise.

What else does the hon. member want us to do? He is, as usual, way behind the times.

* * *

[*Translation*]

TRADE

Mr. David Barrett (Esquimalt—Juan de Fuca): In French?

Some Hon. Members: Yes.

Mr. Barrett: Mr. Speaker, my question is for the Prime Minister. My question today is about free trade.

[*English*]

That is the end of that.

My question is for the Prime Minister about his statements concerning the signing of a free trade agreement between Mexico and the United States. It is one thing to speak, Mr. Prime Minister, of Mexico–United States negotiations outside the context of the agreement we have between Canada and the United States, but the fact is that 43 per cent of Mexico's trade with the United States is parallel to commodities that trade between Canada and the United States.

Mexico will pay $1.60 an hour and have access to U.S. markets. Canada pays $12 or $14 an hour and will lose out.

What work have you done to ensure that our wage base will be secure here in Canada?

[*Translation*]

Some Hon. Members: In French!

Right Hon. Brian Mulroney (Prime Minister): I wish to thank again the member from British Columbia and to congratulate him wholeheartedly for an impressive lin-

guistic achievement. I also have a word of warning for the newly elected leader of the NDP: "Watch out. He is learning fast!" My sincere congratulations to the member for his initiative.

[*English*]

My hon. friend knows full well, of course, that Canadian interests are protected by the rules of origin provisions our arrangements with the United States.

Should Mexico seek to negotiate a freer trade or a free trade agreement with the United States, obviously this conceivably could have an impact on trade with Canada. That is something that we would monitor very carefully.

However, our fundamental position is that it is clearly in the interests of a developing country like Mexico to seek to increase its own national wealth and the well-being of its citizens to take it out of a degree of poverty to a greater stage of development and prosperity through greater trade.

One of the ways of doing that is through free trade with its neighbours. I do not think those of us on either side of the House would be offended if Mexico sought to do that. Indeed, I know my hon. friend would want to encourage Mexico to do more of it.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I applaud the Prime Minister's position on being concerned about Mexico's poverty. But the problems of Mexico's poverty should not be solved at the expense of Canadian workers and Canadian businessmen.

Some Hon. Members: Oh, oh!

Mr. Barrett: The fact is, Mr. Speaker—

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Barrett: Mr. Speaker, the fact is that unless the government is prepared to defend Canadian workers, what is the use of being the government? The government's position should be supporting Canadians.

What studies has the Canadian government done that evaluate the impact of a successful conclusion of a free trade agreement between Mexico and the United States, and its impact on the Canadian market? Mr. Hartt already suggests that five times the amount of trade is taking place—

Mr. Speaker: The question is: What study has been done? Perhaps the minister wants to respond.

Some Hon. Members: Oh, oh!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I was, as I am sure the House and the country were, dismayed by some of the earlier comments by my hon. friend. The socialists always talk a better game about social justice than they ever deliver.

Some Hon. Members: Hear, hear!

Mr. Mulroney: I do not think that it is in keeping with the spirit of Coldwell or Tommy Douglas for the member from British Columbia to be talking about Canadians being worried about—

Some Hon. Members: Hear, hear.

Mr. Barrett: Baloney! You're selling out Canadians.

Mr. Speaker: The hon. member for Algoma.

* * *

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Agriculture.

Yesterday, the Minister of Agriculture of Manitoba pointed out just how impossible—some would say "phoney"—the federal government's program of assistance to farmers is in that the federal government is demanding $100 million from the province of Manitoba when its entire agriculture budget is only $85 million.

I wonder why the government has designed a program that cannot help farmers because it has demanded an impossible amount of support and assistance from the provincial governments. I wonder why the government is doing this.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs) and Minister of State (Agriculture): Mr. Speaker, I am a little bit surprised by the remarks of the hon. member. Our government has put about $20 billion over the last several years into agriculture. It has done a lot for farmers in Canada.

After two days of discussion on the future of agriculture last week, the Minister of Agriculture put $500 million on the table. Given that agriculture is a shared responsibility in the country, we think that the federal government has done a lot for farmers over the last several years.

Point of Order

We share the burden and we think that the provinces should put in a lot more money, and share with us for the benefit of the farmers.

I think it is a fair offer. It is on the table. We are waiting for an answer from the provinces. We think it is possible for the provinces and the federal government to do something together.

• (1500)

Mr. Maurice Foster (Algoma): Mr. Speaker, farmers in southern Saskatchewan and Manitoba had a worse drought last summer than the previous year. They have been waiting for six months for action. All they have been getting is federal–provincial wrangling for months. When is the minister going to actually send cheques to farmers who want to put in a crop this spring? When is that going to happen?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs) and Minister of State (Agriculture): Mr. Speaker, the Minister for International Trade answered those questions yesterday.

Over the last two years we have put almost $8 billion into agriculture. During the same period of time, the three provinces put only $1.4 billion into agriculture. I don't think it is an equal share.

We have put the money aside and it is there. We are flexible. We are awaiting an answer from the provinces, I think the money is there. This represents a strong commitment by the federal government for Canadian farmers.

* * *

POINT OF ORDER

SENATE AMENDMENTS TO BILL C–21

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, with your indulgence I would like to take this opportunity to raise points of order respecting a message from the Senate with regard to Bill C–21. I would like to present to you arguments as to why the message from the Senate is inappropriate and seek the Chair's guidance in formulating a motion for a return message to the Senate.

Over several centuries of parliamentary rule a clear division of powers and responsibilities has emerged concerning the roles of each House in a bicameral system. These responsibilities have been documented in publications, Erskine May and Beauchesne to name just two. The division of responsibilities is also laid out in sections 53 and 54 of the Constitution Act and in Standing Orders 79 and 80 of this House which go back to 1967. I would refer hon. members and the Chair to my statement of March 12, 1990 in this House on this subject.

I would also like to add to that statement today and ask you to rule that amendments 5(a) and (b), 7 and 9 in the message from the other place are out of order because they differ in one way or another with the specific conditions laid out in the royal recommendation of Bill C–21, and because they infringe upon the financial initiative of the Crown. As I stated on March 12, 1990, I believe there are several other of their proposed amendments which also do this, but I will leave that to your consideration. I would also like to comment on the propriety of the Senate's amendments.

In particular, as the Speaker knows a major principle of Bill C–21 is to shift to full financing of the UI program through employer/employee contributions. The Senate amendments, particularly 7 and 9, would negate this principle and put the funding onus back on the general taxpayer to approximately the same degree as in the statute that Bill C–21 seeks to change.

Had these amendments come from a member of this House, I am sure that citation 698(5) of Beauchesne's sixth edition would have been invoked to rule them inadmissible. They are clearly contrary to that principle of the bill.

Thus, Mr. Speaker, is it logical for the Senate to ask this House by way of acquiescence to its message that which the House could not do directly? I would suggest no, but I would appreciate the Chair's observation. Would the Senate amendments be in order if they were proposed in our House? I do not believe they would. Would it be proper for this House to accept amendments from the Senate which would not be acceptable if they came from members of this House? Should not the Speaker rule these out of order on that basis?

Another point, Mr. Speaker, on which your views are solicited has to do with the fact that Bill C–21 arose from the budget of April 27, 1989. Starting on page 12 of the budget speech, the minister described the UI changes which contribute "$1.9 billion to deficit reduction in the

first full year". I am sure you will agree, Mr. Speaker, that is not an insignificant sum.

Since Confederation and indeed before the manner in which the government's fiscal program is presented to the House has been through a budget address. The address lays out the government's expenditure plans and the means by which these plans are to be financed. Our Standing Orders prescribe six days of debate and that a motion be put asking the House to support the budget. This confidence motion is important because it gives the government the authority to proceed immediately with the fiscal plans in the budget even though many of these may require legislative change. It is on the strength of the budget address, the formal procedure, the vote of confidence, that a lot of action is initiated, and indeed taxes are collected immediately with the expectation that the legislation will catch up later.

You may recall, Mr. Speaker, that in 1979 the first act of a new government of a different political party was to pass a bill from the budget of the previous government prior to 1979. Indeed, in 1984 ironically one of the first acts of our government was to bring in a PGRT bill which was part of a budget of a previous government. However such is the strength, and I say this only to emphasize that such is the nature of a budget and the confidence motion that comes with it. To tamper with that or to reverse that somehow in another place is to tamper with the very fundamental purposes and powers of this body.

I would submit that the Senate amendments to Bill C–21 undermine in a significant way the budget of April 27 in which this House has expressed its confidence. If I am correct in this assertion, does it not put a further obstacle to the acceptability by this House of the Senate message? That is, could the House express confidence in a budget and then accept Senate originated changes which undermine that same budget without in essence revoking the previously given confidence? Putting it another way, if Bill C–21 were to be defeated in this House of Commons, a claim would be made that the government had lost the confidence of the House.

For the Senate to insist upon amendments that essentially undo or negate the principles of Bill C–21 is to ask the House to vote non–confidence in the government, an inappropriate request from the Senate. Governments must have the confidence of the House but surely not necessarily that of the Senate. Indeed it is the confidence of the House and only the House.

I wish to quote one paragraph from an authority, R. McGregor Dawson in *The Government of Canada*, at page 212 of the fifth edition where it states:

> The British North America Act requires that any measure for the spending of public funds can be considered by the House of Commons (where it must also originate) only after it has been first recommended by a message from the governor general, and by constitutional usage such a message can be transmitted to the House only through a cabinet minister. Custom and the standing orders of the House have established a companion principle that any proposal for the imposition of tax must also be made by a member of the cabinet. These two rules have been further reinforced by the practice, implied in the standing orders, that no amendment to increase taxes or appropriations can be made except upon the motion of a minister, although any member may move to have any tax or appropriation reduced or struck out. All the above principles have been derived from long English practice, and collectively they place the cabinet in a position where its responsibility in all financial matters is complete and ineluctable.

In addition to those arguments, as noted previously, Bill C–21 has a royal recommendation. I might remind hon. members that it is the parliamentary law clerk, not the government, that decides whether legislation requires a royal recommendation. If members are not aware I would refer them to Beauchesne's sixth edition, page 61, citation 225.(4), where it states that the law clerk's duties include the examination of:

> —all government legislative proposals prior to their introduction to determine whether they entail an expenditure of public moneys; if they are found to do so, then drafts the Royal Recommendation for inclusion with the proposal.

The parliamentary law clerk affixed the royal recommendation to Bill C–21. That is not an issue for debate. It is very clear that a bill which represents a $2 billion impact on the deficit could hardly be considered not to require a royal recommendation.

Members of this House must then ask themselves what kind of amendments can be made to a bill that already has a royal recommendation. For this answer one need only refer to Beauchesne's sixth edition, page 183, citation 596, where it states:

> The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the Royal Recommendation is attached, must be treated as laying down *once for all* (unless withdrawn and replaced) not only the amount of the charge, but also its objects, purposes, conditions and qualifications.

Point of Order

> In relation to the standard thereby fixed, an amendment infringes the financial initiative of the Crown not only if it increases the amount but also if it extends the objects and purposes, or relaxes the conditions and qualifications expressed in the communication by which the Crown has demanded or recommended a charge.

• (1510)

I would then refer the Speaker to Beauchesne's sixth edition, page 185, citation 604, which states:

> Amendments to bills are out of order if they attempt to substitute an alternative scheme to that proposed with the Royal Recommendation.

I would also refer you, Mr. Speaker, to rulings by past speakers on this issue, in particular The Selected Decisions of Speaker Lamoureux, published in 1985, which contains a number of references in this area on pages 457, 459, 463–64, 466, 469, 473–74, 477–481, and 483. Specifically, I draw your attention to page 479—

Mr. Speaker: The hon. member for Ottawa—Vanier on a point of order.

Mr. Gauthier: Mr. Speaker, I do not know what the minister is trying to do here, but we are trying to keep track of his statement.

I wonder if he would agree to tabling that statement so that we could all read it correctly, or slow down his delivery so we can receive the translation and the quotations that he is giving us today.

We had no notice of this, Mr. Speaker, and we take exception to him reading it into the record as fast as he can.

Mr. Speaker: The hon. member has heard the comment from the other side of the House. I am not so sure that it is up to the Chair to say how fast or slow a member might speak. I take it as a courteous request to make it easier for the opposition to follow the argument, and of course I am in the minister's hands. I am sure that he would want to comply.

Mr. Andre: Obviously, Mr. Speaker, if I were speaking too rapidly it was only so as not to take up too much time of the House. Of course I will table the document. The hon. member knew that. He did not have to stand to make that known.

Mr. Gauthier: I did not know anything about it. Keep to the truth.

Mr. Andre: Well, Mr. Speaker, he knew as much about it as I knew about his point of order yesterday, to which I listened for 45 minutes.

Mr. Gauthier: Here we are again mixing apples and oranges.

Mr. Speaker: Perhaps I can help the House. The minister is giving a detailed and careful argument on a matter of some considerable importance to this place. I would like him to continue because I am listening as carefully as I can.

Mr. Andre: Mr. Speaker, I draw attention to page 479 of this publication which deals with the Speaker's ruling on February 5, 1973 concerning amendments proposed to Bill C–124, an act to amend the Unemployment Insurance Act.

During that procedural discussion the Speaker was asked to rule on whether amendments were acceptable if they have as their effect an alteration of the royal recommendation or if they constitute a rejection of the bill.

The Speaker ruled that the motions in question are out of order because they change the objects, purposes, conditions and qualifications of the royal recommendation. He said that amendments are only in order if they fall within terms of the resolution.

I would also draw the Speaker's attention to the publication, Selective Decisions of Speaker James Jerome, published in 1983. I would draw your attention to pages 114, 118, 119, 120–121, and 123. Specifically, pages 119 and 120 deal with amendments proposed to Bill C–69, an act to amend the Unemployment Insurance Act, and the Speaker's ruling on December 15, 1975. The issues discussed concern whether amendments can be made that involve the expenditure of money not sanctioned by the royal recommendation. In the ruling Speaker Jerome ruled these amendments out of order because they infringed on the financial initiative of the Crown and because the expenditures proposed were not provided for in the royal recommendation.

Before I proceed to explain why amendments 5(a) and (b), 7 and 9 relate to these rulings, I would like to point out that several initiatives in Bill C–21 were provided for in the budget speech and papers presented by the Minister of Finance, as I have indicated. In my speech of March 12, 1990 I referred directly to the budget speech so I will not quote from it now. However, again Beauchesne's and Erskine May state that the most important parts of ways and means is the budget speech.

Mr. Speaker, I would also refer you to the so-called Gladstone amendment of 1866, to the Standing Order of the British House of Commons and to the ninth report of the Senate Standing Committee on National Finance tabled in the Senate on February 13, 1990 concerning the Senate's traditional treatment of legislation with royal recommendations.

Beauchesne's goes on to state in Citation 974:

> The Minister of Finance presents the House of Commons with a budget statement by moving a motion "That this House approves in general the budgetary policy of the government—"

This House divided positively on this motion in 1989 thus approving the financial provisions set out in that budget to fix UI premium rates for three years and to modify the financial provisions of the act.

Attempts to modify these provisions as amendments 7 and 9 do are a clear attempt by the other place to change budgetary policy. As we know, budgetary policy is the sole prerogative of the Crown and the House of Commons. To allow the other place to dictate this policy through amendments 7 and 9 would be a clear breach of our responsibilities as elected members of Parliament. The additional costs to the Consolidated Revenue Fund resulting in a change in the 1989 budget as proposed by the other place would exceed $1.75 billion annually.

Amendments 5(a) and (b) are contrary to the royal recommendation because they propose to substitute an alternate scheme to that proposed with the royal recommendation.

Clause 22 of Bill C-21 designs a penalty system for people who quit their jobs without just cause by imposing a penalty of seven to twelve weeks.

Amendments 5(a) and (b) propose a different and more expensive—over $350 million—scheme than that provided for in the royal recommendation. For this reason 5(a) and (b) should be ruled out of order.

Amendment 7 attempts to design Consolidated Revenue Fund participation for a new version of regionally extended benefits which would exceed $1.5 billion annually. This amount is out of order for two reasons. First, it provides for an alternate scheme to that proposed with the royal recommendation. Second, it infringes on the financial initiative of the Crown by establishing payment from the CRF which was explicitly withdrawn in the 1989 budget approved by this House.

Amendment 9 also attempts to design Consolidated Revenue Fund participation for the payment of fishing benefits which exceed $250 million annually. This amendment is out of order for two reasons. First, it provides for an alternate scheme to that proposed with the royal recommendation. Second, it infringes on the financial initiative of the Crown by establishing payments with the CRF which were withdrawn from the 1989 budget approved by the House.

It is the duty of members to protect the rights and responsibilities accorded to this House, not only by the Constitution Act and our Standing Orders, but by centuries of parliamentary procedure and rulings which have given financial responsibility to the House of Commons.

It is incumbent upon us, the elected representatives of the people, to ensure that the nation's finances are guarded by the people's representatives, by members of Parliament who must seek again the support of an elected body, not by appointed people.

I have listed some of the parliamentary rulings. I would urge all members to abide by their responsibilities and recognize that what is being asked of us is trampling on the traditions and responsibilities of this House.

I would like to refer the House to citation 620 of Beauchesne's sixth edition which talks about amendments to a tax act. In fact, what we are talking about here, taxes applied to employees and employers for the purposes of funding UI, are taxes in a real sense which represents billions of dollars to those paying their tax.

I quote citation 620(2):

> (2) This method involves more than just a question of agreement. It involves a question of the privileges of the House which have been enshrined in Standing Order 80. But if the House, in its wisdom, feels that the circumstances are such that it should waive its asserted privileges it does so, in effect, by suspending Standing order 80. Therefore, unless a motion proposes to suspend Standing Order 80, it would require the unanimous consent of the House to pass the amendments which are proposed.

• (1520)

With that citation we are in a situation that, in fact, were we to want to accept the amendments of the Senate, they would have to be preceded by a motion to

suspend Standing Order 80, which as the Chair knows has been in place since 1867, and flows directly from the Constitution, Sections 53 and 54.

I recognize and clearly do not expect a ruling in immediate short order, Mr. Speaker, but I would appreciate the guidance of the Chair in this regard. I am reminded and encouraged by rereading the decisions of the Chair in respect to Bill C-103 of July 1988 wherein the Speaker was moved to acknowledge that the Senate's alterations to that bill were in fact infringing on the privileges of this House.

It is incumbent upon us to recognize that these amendments infringe on the privileges of this House. We must defend these hard-won privileges. While the Senate, the other place, takes its authority from Section 17 of the Constitution which says there will be a Parliament consisting of the Governor General, the Senate and the House of Commons we know that by long centuries of tradition the Governor General, not being elected, does not not exercise that authority. The Senate not being elected ought not to be trodding on the authorities of this House of Commons. It is up to the House of Commons to defend our responsibilities and our authorities.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, this debate has been put forward by the government House leader without notice, by the way. If that is the way he wants to operate in the House from now on, we will take that as notice and we will comply with that kind of bad precedent. I just want to make sure that the minister, who has called a meeting of the House Leaders for 3.15 p.m., will not have a meeting all by himself somewhere and will wait for this debate to be over, at which time we will meet with him to discuss the House business for the coming week.

The question arises, of course, as to why the minister did not make this argument on March 12 last, when this House debated for some time the message from the Senate dealing with Bill C-21. At the time, if you look at the record, Mr. Speaker, you will see that the minister did not invoke the arguments that he has put to you today, but rather accepted one amendment fully, and three in principle, and then passed a message on to the Senate.

I believe that the minister, Mr. Speaker, by asking you a very great number of hypothetical questions, and also constitutional questions, is putting the Chair in a very difficult situation. What the Speaker has to do now is to rule on hypothetical questions, which I hope you will not, Mr. Speaker, and on constitutional questions, which are not the prerogative of the Chair.

Therefore, why did the government not bring these arguments to us on March 12? Because they are trying to play funny games with the House. This new House leader that we have today is known as the bully around here. He bullies people around, he thinks that he is going to get his way, that he will accomplish everything by having his way.

Mr. Speaker: On a point of order, the hon. minister.

Mr. Andre: Mr. Speaker, it may be personal privilege. I have a relatively thick skin. I sat here for 45 minutes yesterday and listened to the hon. member abuse me. But I do not understand what the personal abuse he hurls toward me has to do with the constitutional questions I am asking the House to address. I wish the hon. member would address that constitutional question: does he believe in democracy or does he not?

Mr. Speaker: The hon. minister has risen on a point of order, and as far as everything I have heard so far is concerned, he is certainly in order to do so. He has presented an argument in some detail to such an extent that the appropriate members on the opposition side have naturally asked for a copy of the argument. I understand that.

The hon. member for Ottawa-Vanier is properly replying and there may be other things that could be said in another place. What I need is argument directed to the matters that are raised and that are before us. Without that, I cannot be of very much assistance to the House. I would ask all hon. members to keep that in mind.

Mr. Gauthier: Mr. Speaker, I will keep those remarks in mind and try to address the various points quickly and, I hope, with clarity so that members of the House will understand that indeed I made some valid arguments on March 12 last which I would like members to return to in dealing with some of the specifics dealing with Bill C-21.

I still think that hypothetical questions and constitutional questions are not the responsibility of the Chair and I would refer the minister to the experts in his department to address those questions and maybe give

us some advice and he could come into the House and read for us again.

I do not think that the arguments raised by—

Mr. Speaker: I wonder if I could interrupt the hon. member for just a moment. Generally speaking, the proposition put by the hon. member for Ottawa—Vanier that it is not for the Chair to decide a constitutional question is at least *prima facie* valid.

The argument put by the hon. minister may well contain matters which are procedural and the hon. member for Ottawa—Vanier may very well want to distinguish between those that might be procedural and those that he might argue ought not to be within the purview of the Speaker. But there may be a mix of things in this debate. I hope that assists the hon. member a little bit.

Mr. Gauthier: I thank you, Mr. Speaker, for those remarks. I recognize that procedural questions are indeed to be discussed and can be raised in this House. My only point is that constitutional questions *per se* are not in the purview of the Chair.

The government, or the minister speaking for the government, is trying to bail out of a difficult situation, a difficult conundrum they got themselves into on Bill C–21. We all know that as of now the procedure is that the Senate has had the bill before it, studied it, looked at it seriously, referred it back to this House with a message recommending some nine amendments. Three of those amendments were accepted by the government and sent back with a message to the Senate. We know now that another message is back here. We have it on the Order Paper and that is the situation in regard to Bill C–21.

What the government is attempting to do today is try to muddy the waters and come back and argue that the first message received by this House was indeed not acceptable and should not have been received. We will argue, Mr. Speaker, that that of course is nonsense and that the government in alleging such things, is behind the times and trying to again catch up to the facts of the procedures of this House.

I may refer to debate in the Senate during my remarks. I hope the House will bear with me, because there has been a study made by the Senate of these amendments and a ruling made by the Chair, the Speaker of the Senate, on February 20, 1990 which members would probably like to read and inspire themselves with.

It has been alleged by this government that the Senate actions with respect to Bill C–21 are constitutionally and procedurally unsound. That is exactly what we have been told today by the minister. I submit to you, Mr. Speaker, that these charges are without foundation in either fact or law. Ignoring precedent, dismissing authorities is nothing more than an attempt to divert all attention from the wilful inadequacies of the legislation itself, that is, Bill C–21.

• (1530)

In my comments to this House on March 12, I related historical background as to why this side of the House, the Liberal caucus, believes that these amendments were in order.

[*Translation*]

Mr. Speaker, in 1867 there were those in this country who opposed the establishment of the Senate. They wanted a Parliament constituted strictly on the basis of representation by population. Those persons, we will recall, were mostly from Canada West, which is now Ontario, my province. Fortunately, they did not prevail. They did not win their argument. Other provinces refused to agree, and rightly so, Mr. Speaker, to a Parliament in which they would be in a minority situation and where Ontario would have the upper hand.

Those of us who come from Central Canada, as we say today, must recognize, however, that members of the House of Commons are elected and have a most important role to perform, and also that there is another Chamber, the Senate, which has an important role as well, which is to review and perhaps rethink the legislation referred to it. One could call this the Senate's right to provide a second opinion on all legislation considered and passed by this House.

Mr. Speaker, I, for one, believe that an elected Senate would probably be more effective. It is a view that is shared by many Liberal members. However, until we do have Senate reform, and as long as the present situation prevails, we must allow the Senate, whatever the government's big guns may have to say about it, to perform the task assigned to it by our Constitution.

Point of Order

Mr. Speaker, I am getting to my question. Are the amendments put before this House by the Senate of Canada unacceptable because they contravene our Standing Orders, as the minister said earlier?

Mr. Speaker, Standing Order 80(1) to which the minister referred was used by him to argue that these amendments contravene our Standing Orders. He also made use of the constitutional argument—sections 53 and 54 of the Constitution Act, 1867. I could not find anybody in the Senate who said: We accepted Standing Order 80(1) of the House of Commons. This particular standing order should not concern the Senate, Mr. Speaker, and why should it?

Mr. Speaker, to make myself clear, I will read the Standing Order which says, and I quote:

> All aids and supplies granted to the Sovereign by the Parliament of Canada are the sole gift of the House of Commons, and all bills for granting such aids and supplies—

And the Standing Order goes on, Mr. Speaker.

I want to stress the term "aids and supplies" because this is an important part of the point I am trying to make. I argued this point on March 12. I will do it again today, because the Prime Minister failed to understand what the point was.

Mr. Speaker, Standing Order 80(1) goes on as follows:

> U.C. bills for granting such aids and supplies ought to begin with the House, as it is the undoubted right of the House to direct, limit, and appoint in all such bills, the ends, purposes, considerations, conditions, limitations and qualifications of such grants, which are not alterable by the Senate.

Mr. Speaker, the question we have to answer is whether Bill C–21 deals with aids and supplies as described in Standing Order 80(1). In my opinion, Mr. Speaker, there is no connection with 80(1)—in other words, with aids and supplies. We need not revive the old argument between the House of Commons and the Senate about whether Standing Order 80(1) prevails here. As I said earlier, Mr. Speaker, 80(1) is not a rule of the Senate but a Standing Order of the House of Commons, and I fail to see how it can be used to argue that Bill C–21 and the Senate's amendments to the bill are concerned with aids and supplies.

Mr. Speaker, if we refer to such authorities as Erskine May, for example, we conclude that there are two categories of public expenditures. It is important that people understand that public expenditures are those paid directly from the appropriations voted every year by Parliament. What happened today, Mr. Speaker, was that the House voted to restore the appropriations to the government for public expenditures. And then we have ways and means motions, Mr. Speaker, and as you know every year the government introduces ways and means motions to seek authority to allocate funds.

Then we have expenditures paid directly from the public treasury. That is the second category. Expenditures payable with funds authorized by Parliament are those approved each year through appropriation legislation introduced in the House on a regular basis. Expenditures paid by the treasury are called legislative expenditures. Mr. Speaker, those are the ones we are talking about in Bill C–21. This has nothing to do with the old argument as to whether supply and appropriations are involved, but with legislative measures which entail expenditures, with the royal recommendation, of course.

History tells us that the Crown was expected to pay public service expenses with revenue from its assets. When it was found that such a revenue source was not quite enough the Crown asked Parliament for supply and appropriations, or additional funds to meet annual needs. Our Standing Order 81 refers to the supply bill.

At Westminster, supply and appropriation bills with a Royal recommendation are introduced by the Speaker of the House of Commons. We have the same thing in Canada. A bill must carry the Royal recommendation to be called a legislative expenditures measure. That being said, let us examine the other kinds of outlays which I called legislative expenditures. They are not introduced through a supply bill nor are they covered under Standing Orders concerning supply proceedings.

Prior to 1968 they were introduced through financial resolutions before a committee of the whole House. Such resolutions were recommended to the House by the Governor General and, in 1968, the preliminary stage of the resolution was eliminated in Canada. Ever since the Royal recommendation has been sent to the House in the manner prescribed in Standing Order 79(2).

Bill C–21 was introduced with a royal recommendation, pursuant to Standing Order 79(2), and not upon the presentation of a message, pursuant to Standing Order

79(3). I believe it would be useful for me to read Standing Order 79(2) and Standing Order 79(3):

> (2) The message and recommendation of the Governor General in relation to any bill for the appropriation of any part of the public revenue or of any tax or impost shall be printed on the Notice Paper and in the Votes and Proceedings when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

End of Standing Order 79(2).

Standing Order 79(3) reads as follows:

> (3) When estimates are brought in, the message from the Governor General shall be presented to and read by the Speaker in the House.

Mr. Speaker, I suggest the House should recognize that Bill C–21 is not a supply bill. Definitely, in this case, Standing Order 79(2) and Standing Order 79(3) apply, and not Standing Order 81.

• (1540)

Having said that, let us deal now with the Constitutional issue which the minister raised again today. Are the amendments which the Senate proposed out of order by virtue of Sections 53 and 54 of our Constitutional Act, 1867? Mr. Speaker, I remind all hon. members that Bill C–21 was a bill to amend the Unemployment Insurance Act adopted in 1970 and 1972. I remind them also that the bill which became the Unemployment Insurance Act was Bill C–229 which was read the first time on March 10, 1971. That is the legislation which Bill C–21 meant to amend. The amounts were duly allocated under a recommendation of the Governor General.

Whoever examines the amendments which the Senate made to Bill C–21 realizes that a member of this House could have presented each of these amendments as an amendment to Bill C–229 of 1971. That is a fact, Mr. Speaker. None of the amendments proposed to the various clauses of Bill C–21 seeks to increase or change the amount or purpose of an allocation in a way which would affect the royal recommendation of March 10, 1971. Mr. Speaker, I repeat that none of the proposed amendments seeks to increase or change the amount or purpose of an allocation in a way that would affect the royal commission of March 10, 1971. Why, then, is the minister getting so excited? Well, he wishes to make a point.

Mr. Speaker, it follows that the amendments which the Senate proposed to Bill C–21 are not inconsistent with the royal recommendation; quite the opposite. If Bill C–229, in 1971, was in order when it was passed on March 10, 1971, we believe that the same holds for the Senate's amendments that are before the House today, in 1990, because they in no way contravene the allocation of funds provided for in the original bill.

Mr. Speaker, since all the provisions of Bill C–21 could have been presented in 1971 as amendments to Bill C–229, the original legislation, we must wonder why Bill C–21 had the royal recommendation when it was presented to the House of Commons on June 1, 1989, as we know. We wonder why. I know that my colleague from Kingston and the Islands (Mr. Milliken) has already addressed this question, but he will certainly repeat his arguments once again.

On February 5, 1990, when the committee asked officials what clauses of Bill C–21 required a royal recommendation, the officials, this government's advisers, said—In other words, when asked why it was necessary to obtain or include a royal recommendation in the bill, these officials replied that neither the Employment and Immigration Commission nor the Department of Justice had determined which provisions of this legislation required a royal recommendation.

It has not been clearly shown either in committee or in this House, Mr. Speaker, that certain clauses require a royal recommendation. They knew of none at the committee stage and we know of none today either. Since no clause that the Senate proposes amending, Mr. Speaker, requires a royal recommendation, we conclude that the royal recommendation of June 1, 1989 is unnecessary, at least as far as these clauses are concerned. That is the line of reasoning on which the Senate justifies the validity of the proposed amendments.

That is what the Speaker of the Senate based his decision on, Mr. Speaker. He cited Erskine May in his ruling that the amendments in question were in order and that they imposed no additional charge on the public treasury.

Unlike a money bill, Bill C–21 reduces the charges on the public treasury. It is therefore in order.

Point of Order

Mr. Speaker, I now want to touch on—I could deal with it at length, but I will let my colleagues in this House do so. I will let them go into each of the proposed amendments and how they have been handled by the government.

[*English*]

I would like to use some arguments that the minister has given us today in this House and at other times, concerning Bill C-21. The minister claimed that Senate amendments to Bill C-21 violated Standing Order 80(1).

An Hon. Member: The House didn't agree.

Mr. Gauthier: I did not say that the House didn't agree. I said the Senate is not bound by it. You should listen, Mr. Minister, to what I am saying. I will repeat it again for the minister, because I think he missed the point. I repeat Standing Order 80(1).

> All aids and supplies granted to the Sovereign by the Parliament of Canada are the sole gift of the House of Commons, and all bills for granting such aids and supplies ought to begin with the House, as it is the undoubted right of the House to direct, limit, and appoint in all such bills, the ends, purposes, considerations, conditions, limitations and qualifications of such grants, which are not alterable by the Senate.

Standing Order 80 (1), is a unilateral declaration by this House of Commons which has absolutely, as I said earlier in my remarks, no effect on the Senate. The Senate has never accepted, does not have to accept, does not have to deal with Standing Order 80 (1). It does not have to accept the proposition that this Standing Order limits the authority or powers in any way.

Furthermore, Standing Order 80 (1) has absolutely no relevance to the matter at hand since Bill C-21, has nothing whatsoever to do with aids and supplies as I just finished explaining. The term "aids and supplies" refers to the process whereby the government presents and then has approved by the House of Commons its estimates. God knows the Tories have had a large majority so they get their way all the time, and they should not be unhappy about that, but they seem to take it out on us all the time. I want to tell them that aids and supplies, in our interpretation, means aids and supplies, and refers to the process whereby the government presents and then has approved by the House of Commons its estimates which then form part of the appropriation bill.

I do not have to remind the House that last Friday this government pulled the rug out from under its own feet on supply, moved quorum on debate on an opposition day, and lost the procedure for supply in this House.

I would like to have before me the article written by Marjorie Nichols. I think it would be worth reading into the record to make the point. We thought it was a rather dumb thing to do.

Mr. Andre: Not as dumb as you, Gauthier.

Mr. Milliken: It was a waste of authority as well.

Mr. Speaker: I would ask hon. members to keep in mind the Speaker's comment a little earlier. These are complicated matters. There will be other matters of debate. Whatever was in one article or in another is not something that helps me answer the question that is being posed.

Mr. Gauthier: Mr. Speaker, I needed a rest from standing like this. I needed to sit down—he's always been a sucker for a left anyway.

In the 1989-1990 Estimates, Part II, page 62, there is summary of expenditures of the Department of Employment and Immigration. The summary shows which expenditures must be approved by Parliament. Under the sub-heading "Employment and Insurance Program", approval for operating expenditures was requested under Vote 5, and approval for grants and contributions was requested under Vote 10. But four items including the government's contribution to the unemployment insurance account in the amount of $2.660 billion, and government contributions in respect to fishermen's benefits in the amount of $286 million, required no vote. These are statutory expenditures and were included in the Estimates for information purposes only.

• (1550)

I think I should remind the House that the purpose of estimates is to present to Parliament the budgetary and non-budgetary expenditure proposals of the government for the next fiscal year. These estimates include votes, which Parliament is asked to approve through appropriation acts, as well as other items called statutory items, for which the required expenditures have already been

approved through existing legislation and are included only for information purposes. This is from Beauchesne's Fifth Edition, Citation 484, page 169.

The reason for this is that the statutory obligations continue unchanged for the life of the Unemployment Insurance Act. They need not be confirmed year after year. In the 1989–90 fiscal year the federal government contributed almost $3 billion to the unemployment insurance account. Parliament was not asked to approve these expenditures. Parliament was not asked to agree to spend funds for this purpose. Parliament gave its approval when the program was established and that approval is continuous.

When the estimates are approved by Parliament the resulting appropriation bill or supply bill, as it is also called, is introduced. It does not contain the statutory expenditures. Citation 509(1) of Beauchesne's at page 173 states:

> The concurrence by the House of the Estimates is an Order of the House to bring in a bill, known as the Appropriation Bill—

Consequently, Parliament is not asked to approve annually either directly or indirectly these statutory expenditures or for that matter other statutory expenditures such as family allowances or old age security payments. Parliament is, however, asked to approve non-statutory expenditures such as the operating budgets of departments, including the operating budget of the Department of Employment and Immigration.

As I just mentioned, Mr. Speaker, it does so by first agreeing to the appropriation vote in the Estimates. This is what is commonly referred to as granting supply, in other words agreeing to the government's plan of how it intends to spend money.

Parliament then passes an appropriation bill which makes good the supply. It sounds like a very reasonable, well understood system. By approving the appropriation of money from the Consolidated Revenue Fund, Parliament is accomplishing its duty. Without an appropriation bill the government would have its spending plan approved but no money to put it into effect.

Mr. Baker: Right on.

Mr. Gauthier: It is these non-statutory expenditures which Parliament approves, which include votes on the Estimates and the appropriation bill, that constitute aids and supply. I just referred to the definition of that. I can repeat it again if the minister wants to hear it. I see he has left the House, Mr. Speaker. I guess he does not have an interest in this matter and he just wants to go out—

Mr. Speaker: The hon. member is an experienced and leading member of this place and knows that whether a minister left, or whether a minister stayed, or whether one of his colleagues went, or whether he stayed is not an appropriate comment. I want him to continue to address, as he is quite capable of doing of course, the exact points that I have to decide.

Mr. Gauthier: I accept again, Mr. Speaker, but in a debate you would expect the other person to be there when you are speaking and I would like to make that point, very clear. I say this in all kindness. I do not want to—

Mr. Epp: What kindness?

Mr. Gauthier: From the bottom of my heart where it should be on the left side of centre.

Mr. Speaker: It may be from the bottom of the heart but how deep down did you dig?

Some Hon. Members: Oh, oh!

Mr. Speaker: I would point out to the hon. member for Ottawa—Vanier that the parliamentary secretary is here and I am sure that he is listening carefully to the learned remarks of our friend.

Mr. Gauthier: Mr. Speaker, I appreciate that and I like that person very much.

Mr. Cooper: Thanks. You just got my pay cut!

Mr. Gauthier: As I was saying, it is these non-statutory expenditures which Parliament approves through its vote on the estimates and the appropriation bill that constitutes aids and supplies.

The government requests, of course, the aid of Parliament in meeting its day-to-day operating expenses, and Parliament usually agrees to supply the necessary funds. In fact when an appropriation bill is passed by the House of Commons and Senate, the Speaker of the House of Commons addresses in the Senate Chamber the hon. the Deputy of the Governor General at the time of Royal Assent as follows:

> May it please Your Honour, the Commons of Canada have voted certain supplies required to enable the government to defray the expenses of the Public Service.

These are from Senate Debates, June 19, 1989, page 459, concerning Bill C-35. Very, very impressive statement.

> May it please Your Honour, the Commons of Canada have voted certain supplies required to enable the government to defray the expenses of the Public Service.

This form of address is used exclusively for appropriation bills. It is used to complete the aids and supplies process. It would of course not be used at the time of Royal Assent on Bill C-21. It could not be because Bill C-21 is not a bill of aids and supplies.

In arguing that the Senate was butchering—the word the minister used—Standing Order 80, the new Government House Leader exhibited a profound misunderstanding of not only the supply process of Parliament, but also the very nature of Bill C-21.

This bill calls for the reduction—I underline that word, the reduction—of expenditures. It asks Parliament to allow the government to end existing statutory expenditures, eliminating existing expenditures. It does not grant aids and supplies. That is our interpretation of what aids and supplies means.

Now I want to come back to an argument that I made a few minutes ago about the constitutional argument that was put to you today by the minister and to which I said to you, Mr. Speaker, that I did not think it was your responsibility to act as constitutional adviser to the minister.

The hon. minister charged that Section 53 of the Constitution Act of 1867 prohibits the Senate from amending money bills. Mr. Speaker, you will find that statement at page 96.

An Hon. Member: Stuff and nonsense!

Mr. Gauthier: He is wrong, wrong, wrong. In fact he had been contradicted by his own actions in dealing with the Senate amendments on Bill C-21. Section 53 of our Constitution states:

> Bills for appropriating any part of the public revenue or for imposing any tax or impost shall originate in the House of Commons.

The minister claims it is axiomatic that if the Senate amends such a bill the bill does not originate in the House of Commons. That was the argument he used on March 12. Unfortunately, the only thing that is axiomatic or self-evident about this proposition is that it flies in the face of the commonly accepted meaning of the word "originate". And I may get the dictionary later on if he comes into the House and read it to him again as to what the word originate means.

The Concise Oxford Dictionary defines "originate" as: Give origin to, initiate, cause to begin. It defines its root "origin" as: derivation, beginning or rising or coming from something, starting-point. The word "originate" implies a beginning, not an end. It describes a starting point. Then it must run its course.

Bill C-21 originated in the House of Commons. We all know that. It was an amendment to the original existing legislation. It was amended in the House of Commons and passed by the House of Commons. Mr. Speaker, you understand and will recognize some lengthy and very constructive debate on the part of the opposition, but with the usual closure motions and appropriation of time that the government invokes all the time. This is the thirty-fifth time the government has done it in this Parliament. We are getting to the point now where the cynicism is such that we expect the government to do it every day.

• (1600)

I would not be surprised if it did so on this matter. I would not be surprised if it did it on Bill C-62, the GST bill. I would not be surprised if it did it on the abortion bill. I would not be surprised if it did it on everything before the House, because it has got into the habit of doing it so much. It is now past the stage of something which was used exceptionally and is now used commonly all the time.

Bill C-61 originated in the House of Commons. It went to the Senate, was amended and passed. The requirements of section 53 of our Constitution of 1867 in our opinion were indeed met.

It is interesting that when the minister concluded his argument on Bill C-21 he said that it was a money bill and that section 53 of The Constitution Act, 1867 prohibited the Senate from making any amendments to money bills, and he moved the following motion:

> That a message be sent to the Senate to acquaint Their Honours that this House agrees with amendments 4(a) made by the Senate to Bill C-21—

Although the message then goes on to raise a constitutional objection concerning other Senate amendments, the fact remains that the government House leader and the House itself accepted, without demur or reservation,

a Senate amendment to a bill which the government claims is a money bill.

They cannot have it both ways. The minister's declaration that section 53 prohibits the Senate from amending money bills rings hollow in view of his own request that the House of Commons support one of the Senate's amendments. There has to be something lacking in his judgment.

I want to refer to section 54 of the Constitution Act, 1867, House of Commons Standing Order 79, and the royal recommendation. As with the analysis of the supply process and of money bills, the minister displayed a total lack of understanding about the royal recommendation process.

In his remarks before the House of Commons he alleged that the Senate had passed amendments that went beyond the terms of the royal recommendation attached to Bill C–21 and that in doing so had acted contrary to the requirements of section 54 of the Constitution Act, 1867 and House of Commons Standing Order 79.

There is simply no truth in this charge. I will show you why. I want to read section 54 of the Constitution Act, 1867 for the minister who is out there laughing at this issue which we consider to be very serious and most important. I am going to be nice to the Minister of Industry, Science and Technology. Section 54 of the Constitution Act, 1867 reads as follows:

> It shall not be lawful for the House of Commons to adopt or pass any Vote, Resolution, or Bill for the Appropriation of any Part of the Public Revenue, or of any Tax or Impost, to any Purpose that has not been first recommended to that House by message of the Governor General in the Session in which such Vote, Resolution, Address, or Bill is proposed.

Mr. Speaker, that is clear.

Standing Order 79 which incorporates and adds section 54, reads as follows:

> (1) This House—

Mr. Speaker: I wonder if the hon. member could just excuse the Chair for a moment.

First, I want to let the hon. member know that I think I have the points he is making thoroughly secured in my mind. If there are some other references the hon. member would like to make in wrapping up, I would certainly want to hear them. But I do not think that it needs to take the time of the House, or my time, in reading sections from the Constitution Act or from the Standing Orders. If a point needs to be made on one of them, I think it may be sufficient just to draw my attention to the Standing Order or to the section which I will of course look at and read in any event.

Mr. Gauthier: I take your admonition seriously. I was just trying to instruct the people out there who are listening to us and give them the opportunity to understand what the process is all about.

The minister's speech, by stating Standing Order 79(1) means nothing to people out there listening. I think they understand English or French, and I am trying to read the Standing Orders in order to help them better understand what this place is all about.

Mr. Speaker: I would point out to the hon. member and other hon. members that ultimately it would be for me to make sure they understand what we are doing. It might not always be that easy.

I am asking the hon. member to close off his remarks as soon as he can.

Mr. Gauthier: Mr. Speaker, I will refer to the Standing Orders by their number, and you can get them out of the book and read them yourself.

Standing Order 79 incorporates and adds to section 54 of our Constitution, 1867. A royal recommendation is required if a bill appropriates money. Bill C–21 carried a royal recommendation. The minister claimed that clauses 2, subparagraphs (1), (9), 14(1), 19(2), 20 and 50(1) of Bill C–21 imposed a charge on public funds. The Senate did not amend Clauses 2(1), (9), 14(1), 19(2) and 50(1). These clauses remain unchanged. It did amend clause 20 but far from increasing a charge it reduced it by restricting the development use provisions of the bill.

As will be described, a royal recommendation is not necessary if a charge is being reduced. We all know that.

The minister also claimed that the Senate amendment which would maintain a certain level of government contributions to the UI account required a royal recommendation. This claim discloses a total and indeed a comprehensive lack of understanding of the royal recommendation process.

Point of Order

The Unemployment Insurance Act requires the government to pay for all regionally extended benefits. Clause 52 of Bill C–21 would eliminate completely the government's contribution. The Senate rejected this proposal. In its place it substituted an amendment which would reduce government contributions by 50 per cent. The minister claims it is absurd. Those are his own words, that it is absurd to argue that this Senate amendment does not require a royal recommendation. In point of fact, the absurdity lies in arguing that an amendment which reduces expenditures requires a royal recommendation.

The royal recommendation attached to Bill C–21 reads as follows:

> Her Excellency the Governor General recommends to the House of Commons the appropriation of public revenue under the circumstances, in the manner and for the purposes set out in a measure entitled an act—

The provisions of Bill C–21 which are in dispute propose to reduce or eliminate existing statutory expenditures. The Senate amendment to clause 52 of the bill would also reduce existing statutory expenditures but by a lesser amount.

To argue that a royal recommendation from the Governor General is necessary when existing expenditures are being reduced would lead to the following absurdity—and I am using the House leader's words own words. I want to read how absurd it would sound:

> Her Excellency the Governor General recommends to the House of Commons the reduction of public expenditures under the circumstances—

That would make no sense. No such royal recommendation has ever been proposed. I do not think that any government, even a House leader as incompetent as that one, would even think of doing that.

• (1610)

I could go on to quote Erskine May, twentieth edition, at page 716, but keeping in mind your remarks that you do not want me to quote extensively, I hope these will be appended to the speech that I am making, as if read.

That is why the Speaker of the Senate, ruled in order the amendments now before the House of Commons, on the grounds that amendments to reduce or maintain existing charges did not require a royal recommendation. As authority, he cited Erskine May. The minister did not call upon the Speaker of the House of Commons to rule on these amendments at the time of debate on March 12, knowing, and undoubtedly he did, that they were in fact procedurally proper. What he is doing today by asking you to rule on them is asking you to pull him out of his conundrum. Instead, he chose at that time to present a series of convoluted arguments which, if accepted, would require rewriting the Constitution of this country, the Standing Orders of this House and the authorities, Erskine May, Beauchesne, and many other experts in the field which we use commonly in this House. You would have to rewrite the whole book to please that minister.

I want to conclude my remarks. I know you will be happy to hear that I am going to conclude on an up note. I hope to be able to be a little more positive than the minister.

The minister claims that the Senate is prohibited from making any amendments to the so–called "money bills". He ignores precedent and the authorities. I would like to quote some of those. Appendix 1 of Beauchesne's provides the form to be used in the House of Commons for moving various motions. We use those every day. In the fifth edition at page 282, Form No. 47, which is entitled "Agreeing with Senate Amendments to Money Bills". That is the wording used of the proposed amendment.

The Senate has never agreed with the contention that it is prohibited from making any amendments to money bills, and this position is recognized not only in Beauchesne's, but even in the procedural publications prepared by the House of Commons itself.

Précis of Procedures, second edition, 1987, which was prepared by the House of Commons Table Research Branch and published under the authority of the Clerk of the House of Commons, recognizes the procedure concerning the "reconsideration by the House of any amendments" made by the Senate to taxation bills, bills which have been preceded by a Ways and Means motion; in other words, money bills.

The truth is described in Dawson's *The Government of Canada*, sixth edition, 1987, when dealing with a claim of the House of Commons concerning the lack of authority by the Senate over money bills because of Standing Order 80. Mr. Speaker, I beg your patience and indulgence. I have to read it because it is very important and it

ends my remarks. The author is Dawson, *The Government of Canada*, sixth edition, 1987 and I quote:

> It is a fair statement that almost the only attention the Senate has given to this grand assertion is to ignore it. On the theoretical side the Senate has argued that if the constitution was intended to limit the Senate's power over money bills once initiated, it would say so. The Senate has insisted further that it could not discharge its functions as a guardian of provincial or regional rights if it had no power over money bills. What is more important is that the Senate has repeatedly amended bills that contained money clauses, and also bills that dealt exclusively with finance, including income tax bills. The Commons has accepted Senate amendments to money bills, usually adding a futile claim that its acquiescence must not be considered a precedent. The Senate could, if practice is any guide, amend a money bill out of all recognition, so that in effect the bill was rejected.

In its amendment to Bill C-21, the Senate has taken a much more moderate course of action than I just described.

I know there are other members in this House who would like to address this issue, explain the impact of the procedure before us and go on to explain why we should indeed accept the message of the Senate and pass it.

Having taken the time of the House, I apologize if at times I was repetitive. I do think, Mr. Speaker, that given the fact that we were given no notice of this debate today, the minister not having thought to give us prior notice of at least a half an hour, or even an hour, we will continue to debate this motion in due course. When we get to the substantive message, whenever it is called, I would like to ask you, Mr. Speaker, if I may comment further on this process.

* * *

EXCISE TAX ACT

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-62

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, because this particular point of order may be carried on for some while, I wish to indicate that agreement could not be reached under the provisions of Standing Order 78(1) and 78(2) with respect to an allocation of time to the report stage and third reading of Bill C-62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act, and the Tax Court of Canada Act.

Time Allocation

Under the provisions of Standing Order 78(3), I give notice of my intention to move a time allocation motion at the next sitting of the House for the purpose of allowing a specified number of days or a day for the consideration and disposal at both stages of the said bill.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): We have another example of either—I do not want to use the word "arrogance", I am trying to find another word. Mr. Speaker, it is not debate. It is a point of order and it is a good one.

The debate on Bill C-62 at report stage has not started. It has not started yet. The order was called by the House at one o'clock and the House adjourned at one o'clock. I submit that the notice given is not in order because the debate has not started. Just calling the order does not mean the debate has started. There has been nobody in this House that has addressed this issue as of now and I maintain—

[*Translation*]

—that the whole process is biased, it is the only word I can think of, because neither the House nor the committee has had a chance to study the bill. I submit to you, Mr. Speaker, that this point of order is extremely serious and that once again the government is making a mistake because it wants to push it, to bully it through and do things its own way regardless of the Standing Orders of the House.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Government House Leader): Mr. Speaker, I have been in the House for over an hour listening to my normally eloquent and concise friend on a point of order for an hour.

As the Speaker knows, the order was called this morning. The minister made an intervention on this point of order of 20 minutes. The hon. member chose to go on for 60 minutes and if that is what he chooses to do, that is fine. At the same time it is very clear that the debate was called today. The order was called. The debate has started. If the opposition chooses to speak 60 minutes on a point of order, that is their option. The other option is to continue with Orders of the Day.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, your patience is being tested quite severely today.

Point of Order

I want to lend my voice of support to my hon. friend from Ottawa—Vanier's intervention. I want to remind you of a comment you made in this House on December 15, 1988 when you spoke some very thoughtful and guiding words for this moment. I quote from page 78 of *Hansard:* the following:

> After a very careful consideration of this point, I am more persuaded by the weight of precedent and practice. Taking into consideration the gravity of the measure to be invoked and the necessity of protecting the rights of the minority, it is my feeling and decision that the intention of the Standing Order as drafted and as it has been applied is to allow a majority to impose closure only after debate on the question has begun. This is to ensure that such debate is not unfairly or prematurely curtailed. In this instance, debate on the motion had clearly not begun when the Hon. Minister served notice.

• (1620)

Mr. Speaker, that was your comment in December of last year. Obviously the debate has not commenced. The debate has not begun. If we are to be consistent in this House, the government House Leader has to learn to accept the fact that while he is anxious to invoke closure or time allocation, he must at least wait until we have begun to debate this stage of the legislation. I know he finds that difficult, but surely to goodness he should at least allow the debate to commence even for a few minutes before he invokes closure and muzzles Parliament.

An Hon. Member: Hear, hear.

Mr. Cooper: Mr. Speaker, the order was called this morning. We did have a vote moving to Orders of the Day. The order was called—

An Hon. Member: There was no debate.

Mr. Cooper: Orders of the Day were called. The debate started. It was very clear. If all members had listened very carefully they would know that everything was started. We are now in the time slot where that debate is on the floor of the House. If members choose to debate that particular issue or if they choose to go on at great length on a point of order on another subject, that is their option. However, Mr. Speaker, I think it is very clear that in fact the order has been called for debate and the notice of motion, as presented by the Minister of Finance, is acceptable to the House and is totally in order.

An Hon. Member: It is not.

Mr. Cooper: Certainly, it is.

Mr. Speaker: I will check the record and come back to the House and clarify this matter.

The hon. member for Kamloops may want to rise on the other matter we were discussing.

* * *

POINT OF ORDER

BILL C-21

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, indeed, I do want to rise on this other matter.

I think the position of the New Democratic Party *vis-à-vis* the Senate is well known. Unlike the other two political parties in this House our view of the Senate and its role is well known. We do not believe it has any place as presently constituted in a democratic society. As a matter of fact, I think you would look long and hard to find a Parliament anywhere in the world of unelected representatives that have acted in the way we have seen the present Senate. I just make that point at the outset.

I listened with interest to the government House leader's remarks. I regret the fact that he did not circulate his notes ahead of time. I know we do not necessarily do this, but this is not a normal discussion. This is not a normal intervention. What we are doing here is questioning the very basis of the Canadian parliamentary system, whether or not the Senate of Canada has the right to amend legislation successfully passed through the House of Commons.

The government has already accepted certain amendments made by the Senate to Bill C-21. Now to say the Senate has no right to amend the legislation seems to be inconsistent. That alone puts the comments of the government House Leader in the appropriate context, that while I appreciate his concern and frustration the logic seems rather loose.

Since the government has refused to allow the people of Canada to be heard on bills such as Bill C-21 the Senate has taken it upon themselves to hear from the people of Canada through extensive hearings and report back on the findings obtained after listening to the people of Canada.

I think what we are also discussing here is a future implication. With the clawback legislation the government has abandoned the universality of our pension system and our family allowance system. I wonder if the Senate would not feel similarly in that hearings ought to

be held on this major change to public policy in these areas.

Or when the the goods and services tax goes to the Senate—God forbid that it ever makes it to the Senate—again, would they not feel an obligation to do what the government refused to do, hold hearings in the province of Quebec. This is almost pitiful when you think that the government says they are interested in public participation and yet not a single day was set aside for hearings in one of the largest provinces in Canada.

Mr. Speaker: The hon. parliamentary secretary rises on a point of order.

Mr. Albert Cooper (Parliamentary Secretary to Government House Leader): Mr. Speaker, I have been listening to the hon. member with great care and although he is making an interesting intervention as to what the Senate may or may not like to do on any number of bills, I do not see that it has any relevance to the point of order before us which deals specifically with whether or not the Senate has the right to amend financial bills. It has been clearly demonstrated that Bill C-21 is that type of bill.

Mr. Riis: My hon. friend was out of the House when I commented that the government, I understand, has already accepted certain amendments. Having already accepted certain amendments, now seems to be a rather awkward time to be suggesting that they ought not to accept any further amendments. I sense some weakness in the logic of that approach.

However, I suppose technically one could say that the Senate does possess the right under the Constitution Act to do what it has done. Whether it has the ethical right to do that is another question. It seems to me that it places you, Mr. Speaker, in a very, very difficult situation. From time to time all of us in this House probably question the things that are done in the Senate. We doubt the wisdom of some of the judgments made. But surely it is not the role of the Speaker of the House of Commons to comment on the messages received from the Senate.

I submit that the Senate can send any message to the House of Commons it wants and then it is up to the House of Commons to decide how it is to reply. Surely it ought not to be left to the Speaker to decide what comments from the Senate are appropriate and others that are perhaps not appropriate.

Point of Order

I want to suggest, Mr. Speaker, that the issue before us today has far-reaching implications in terms of the future role of the upper House. Since we did not have an opportunity to reflect on the very thoughtful comments of the government House leader—and similarly I might say the very thoughtful comments offered by the member for Ottawa—Vanier—and considering the implications of the decisions that you, Mr. Speaker, are being asked to rule upon, that we set this aside and return, perhaps tomorrow, after members have had an opportunity to reflect clearly on the very thoughtful presentations made by both sides and add more suggestions for Your Honour to consider.

Mr. Speaker: I am going to accept the suggestion of the hon. member for Kamloops. Over the evening or at least following the House today other hon. members may want to assist the Speaker further. I know the hon. member for Kingston and the Islands may wish to. But in the interest of the accommodation of the House, it seems to me that the hon. member for Kamloops has made a very sensible suggestion.

Copies of the hon. House leader's argument which was carefully put together and is well referenced can be in the hands of hon. members and I shall return to the House at a time appropriate to hon. members and we will complete the debate. It does not have to be decided this afternoon and hon. members would know why I would not decide it this afternoon in any event.

I am going to accept the suggestion of the hon. member for Kamloops which I think is helpful to the House and we shall see to other matters.

* * *

• (1630)

EXCISE TAX ACT

NOTICE OF ALLOCATION OF TIME TO CONSIDER REPORT AND THIRD READING STAGES OF BILL C-62—SPEAKER'S RULING

Mr. Speaker: While I am on my feet, I think I should refer to the hon. Minister of Finance's intervention in giving notice of time allocation and the objection taken to that a few minutes ago.

Objection has been taken on the basis that the matter was not before the House. Some reference was made to an earlier precedent. If the hon. member goes back and takes a careful look at that precedent and what I said, we were not even at Orders of the Day. In this case, we got to Orders of the Day. I gave a long ruling on the motions that are now before the House at report stage and following that ruling there was some discussion. It is true

that the hon. member for Gloucester was not on his feet on debate, but I think I would be stretching things a very long way indeed if I should rule today that the House was not seized of the Order of the Day. I do not think I can go that far. I have to accept the notice.

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 38, to inform the House that questions to be raised tonight at the time of adjournment are as follows: the hon. member for Comox—Alberni, Low-Level Flights; the hon. member for Nanaimo—Cowichan, Fisheries; the hon. member for Markham—Whitchurch—Stouffville, External Affairs.

* * *

EXCISE TAX ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, as reported (with amendments) from the Standing Committee on Finance.

The Acting Speaker (Mr. Paproski): As put by the Speaker today, I have motions 1 to 90. Shall I dispense.

Some Hon. Members: No.

Mr. Douglas Young (Gloucester) moved:

Motion No. 1.

That Bill C-62 be amended by deleting Clause 1.

Motion No. 2.

That Bill C-62 be amended by deleting Clause 2.

Motion No. 3.

That Bill C-62 be amended by deleting Clause 3.

Motion No. 4.

That Bill C-62 be amended by deleting Clause 4.

Motion No. 5.

That Bill C-62 be amended by deleting Clause 5.

Motion No. 6.

That Bill C-62 be amended by deleting Clause 6.

Motion No. 7.

That Bill C-62 be amended by deleting Clause 7.

Motion No. 8.

That Bill C-62 be amended by deleting Clause 7.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I rise on a point of order. I wonder if we could ask the House leader for the opposition just what is gained by this, because what is becoming very clear to me is the significance and the wisdom of time allocation. The opposition have put forward all these motions, they force upon you this need to waste the time of the House reading the 90 motions one by one, using up the time that they would normally take to speak to these amendments. Clearly it is never the intention of either the opposition parties to debate this bill. They simply want to waste time.

So I would be interested in understanding what their position is and why they are forcing this upon you, Mr. Speaker.

Mr. Gauthier: Mr. Speaker, I have to respond because the Minister of Finance seems to be a reasonable man. He will understand that at report stage it is the right of any member to table amendments. We have some 90 amendments before the House. For the sake of understanding what is going on, and for the sake of Canadians watching TV today, we should read those amendments so that they know what we are talking about.

Mr. Douglas Young (Gloucester) moved:

Motion No. 9.

That Bill C-62 be amended by deleting Clause 9.

Motion No. 10.

That Bill C-62 be amended by deleting Clause 10.

Motion No. 11.

That Bill C-62 be amended by deleting Clause 11.

Motion No. 31.

That Bill C-62 be amended by deleting Clause 13.

Motion No. 32.

That Bill C-62 be amended by deleting Clause 14.

Motion No. 33.

That Bill C-62 be amended by deleting Clause 15.

Motion No. 34.

That Bill C-62 be amended by deleting Clause 16.

Motion No. 35.

That Bill C-62 be amended by deleting Clause 17.

Motion No. 36.

That Bill C-62 be amended by deleting Clause 18.

Motion No. 39.

That Bill C-62 be amended by deleting Clause 20.

Motion No. 40.

That Bill C-62 be amended by deleting Clause 21.

Motion No. 41.

That Bill C-62 be amended by deleting Clause 22.

Motion No. 42.

That Bill C-62 be amended by deleting Clause 23.

Motion No. 43.

That Bill C-62 be amended by deleting Clause 24.

Motion No. 44.

That Bill C-62 be amended by deleting Clause 25.

Motion No. 45.

That Bill C-62 be amended by deleting Clause 26.

Mr. Boudria: Mr. Speaker, I rise on a point of order. I want to point out that unfortunately my colleague, the hon. member for Kingston and the Islands, will be out of the House temporarily. Perhaps you could indicate another member as a seconder of the motion until such time as he returns. I would be willing to do that myself, or perhaps another colleague.

Mr. Douglas Young (Gloucester) moved:

Motion No. 46.

That Bill C-62 be amended by deleting Clause 27.

Motion No. 47.

That Bill C-62 be amended by deleting Clause 28.

Motion No. 48.

That Bill C-62 be amended by deleting Clause 29.

Motion No. 49.

That Bill C-62 be amended by deleting Clause 30.

Motion No. 50.

That Bill C-62 be amended by deleting Clause 31.

Motion No. 51.

That Bill C-62 be amended by deleting Clause 32.

Motion No. 52.

That Bill C-62 be amended by deleting Clause 33.

Motion No. 53.

That Bill C-62 be amended by deleting Clause 34.

Motion No. 54.

That Bill C-62 be amended by deleting Clause 35.

Motion No. 55.

That Bill C-62 be amended by deleting Clause 36.

Motion No. 57.

That Bill C-62 be amended by deleting Clause 38.

Motion No. 58.

That Bill C-62 be amended by deleting Clause 39.

Motion No. 59.

That Bill C-62 be amended by deleting Clause 40.

Motion No. 60.

That Bill C-62 be amended by deleting Clause 41.

Motion No. 61.

That Bill C-62 be amended by deleting Clause 42.

Motion No. 62.

That Bill C-62 be amended by deleting Clause 43.

Motion No. 63.

That Bill C-62 be amended by deleting Clause 44.

Motion No. 64.

That Bill C-62 be amended by deleting Clause 45.

Motion No. 65.

That Bill C-62 be amended by deleting Clause 46.

Motion No. 66.

That Bill C-62 be amended by deleting Clause 47.

Motion No. 67.

That Bill C-62 be amended by deleting Clause 48.

Motion No. 68.

That Bill C-62 be amended by deleting Clause 49.

Motion No. 69.

That Bill C-62 be amended by deleting Clause 50.

Motion No. 70.

That Bill C-62 be amended by deleting Clause 51.

Motion No. 71.

That Bill C-62 be amended by deleting Clause 52.

Motion No. 72.

That Bill C-62 be amended by deleting Clause 53.

Motion No. 73.

That Bill C-62 be amended by deleting Clause 54.

Motion No. 74.

That Bill C-62 be amended by deleting Clause 55.

Motion No. 75.

That Bill C-62 be amended by deleting Clause 56.

Motion No. 76.

That Bill C-62 be amended by deleting Clause 57.

Motion No. 77.

That Bill C-62 be amended by deleting Clause 58.

Motion No. 78.

That Bill C-62 be amended by deleting Clause 59.

Motion No. 79.

That Bill C-62 be amended by deleting Clause 60.

Motion No. 80.

That Bill C-62 be amended by deleting Clause 61.

Motion No. 81.

That Bill C-62 be amended by deleting Clause 62.

Motion No. 82.

That Bill C-62 be amended by deleting Clause 63.

Motion 83.

That Bill C-62, be amended by deleting Clause 64.

Motion No. 84.

That Bill C-62 be amended by deleting Clause 65.

Motion No. 85.

That Bill C-62 be amended by deleting Clause 66.

Motion No. 90.

That Bill C-62 be amended by deleting the Title.

• (1640)

He said: Mr. Speaker, in dealing with the amendments proposed to Bill C-62, I want to point out that we want to be very consistent in this. As was indicated in the minority report prepared by the Liberal party when the technical documents were considered by the finance committee, we stated that no amount of tinkering or changing some of the details of the GST would make it acceptable.

Certainly, our experience in listening to literally the hundreds of people who came before the committee, both as individuals and as representing companies or organizations, indicated that, in fact, that was the case. Without exception, although some people might come before the committee supporting the principle of the goods and services tax, they certainly did not support the proposal that is presently before the House.

What is very interesting in all of this is that the government has taken the approach that it believes the tax will be good for people and that people simply do not understand it. That is a debate that will undoubtedly go on across the country as we continue to consider this particular piece of legislation.

I feel that the Canadian Labour Congress, the Canadian Federation of Independent Business, the Canadian Chamber of Commerce, senior citizens in this country and university students will be more than able to defend themselves and explain why they are so concerned about the goods and services tax.

Canadians must recognize that the argument being made is that the present federal sales tax is a very difficult tax to administer, it has a lot of leakage and we are not getting as much money out of it as we should. Of course, the government moved it from 9 per cent to 13.5 per cent during the time it has been the government in this country. So, if it was a silent killer of jobs back in 1984, it has become a very effective killer of jobs in 1990.

Beyond that, the point that has to be made is that whenever we discuss the issue of the federal sales tax, which has been in effect for some 60 to 70 years, the Minister of Finance and other members of government talk about visibility. So I would like to restrict my comments today to three or four issues that were made issues by the government itself.

The government came forward with its technical documents in August of last year. In the documents surrounding the draft legislation that was made available to us last fall the government said that most important in dealing with this new tax policy was that it should be visible, that it should be integrated with the provinces, that it should be fair and that it should be revenue neutral.

As I have indicated many times before, one of the strategies taken by the government is that anybody who does not support its tax does not understand it, or prefers the existing federal sales tax, or does not have an alternative. The government has had six years to work on an alternative and it has produced one that has 80 per cent of Canadians against it. I would not think that the Minister of Finance or anyone else would be pushing too hard to have other people come up with specific alternatives when in fact the government after six years, has so miserably failed. The reason that the government has failed is because it has not consulted with Canadians. It has not consulted with the provinces. There were discussions at the officials level with provinces, and then last April, after having met with finance ministers here in Ottawa, indicating, I am told, that at some point there would be further discussions and negotiations, the Minister of Finance unilaterally, within a matter of couple of weeks, stated that he was going to go ahead on his own and that the federal government would install a tax at the federal level unilaterally.

The Minister of Finance has a tendency sometimes, and certainly I do not take it as a personal affront, to use some pretty strong language. He has accused people of weaselling out.

Mr. Wilson (Etobicoke Centre): He didn't like that word. He is getting a little sensitive.

Mr. Young (Gloucester): The Minister of Finance is right. I did not like that. But I was prepared for it because the Minister of Finance, as you well know, in November of 1988, called the leader of the Liberal Party at that time, a liar, a coward, and all kinds of things in discussing the goods and services tax. What I think is important is to now look at the four principles that the Minister of Finance and the government have put forth.

First of all, visibility. Bill C–62 is a bill which undoubtedly will have further amendments to it because the government members of the committee have proposed amendments and probably some members of the House may have some amendments.

If you look at clause 223, you will find that "visibility" is not at all guaranteed. All that is said in Clause 223 at page 128 of the bill is:

> 223. (1) Where a registrant makes a taxable supply, the registrant shall indicate to the recipient, either in prescribed manner or in the invoice or receipt issues to—

The "prescribed manner" is the interesting point because when we questioned the officials of the Department of Finance, they said that we were quite correct, that there would be no way for an individual to know that they had paid the goods and services tax unless they did the calculation themselves.

The example I would give is of a Canadian consumer going into a corner store. Many items in that corner store will be subject to provincial sales tax. Many will be subject to federal sales tax, but under no circumstances will that store ever be able to equip itself with the system that is adequate to break out the different taxes on the individual items. One can imagine the kind of nightmare that the Canadian Federation of Independent Business and others have been talking about.

We have this criteria of visibility not being met. To be fair, it will be met in some instances. However, we were basically told about signs, but we do not know how large the signs would be, where they would have to be placed, whether they would be bilingual, all the kinds of the questions people will want to know who will have to administer the tax and collect it for the government.

Another aspect is revenue neutrality. The chairman of the finance committee was very honest. At about the same time the Minister of Finance was calling other people names during the election campaign, the member for Mississauga South was saying that at 9 per cent the federal sales tax might raise anywhere from $8 billion to $14 billion in extra revenue. Now, of course, with the tax at 7 per cent, probably that figure is around $4 billion or 5 billion.

Do Canadians really believe that a government would undertake a tax policy that has seen the government plummet in the polls to a rating of about 17 per cent across the country; that it would hire 4,000 or 5,000 new tax collectors to administer the bill; that it would get involved in all the kinds of problems that Canadians are pointing out to them on a daily basis, unless there was some secret agenda?

Revenue neutrality is the one area I think we need to examine. If we look at the experience in other countries, the Government of Canada is convinced that although it is going to suffer some short term pain it believes that once it gets the system in place, that probably there will be a few extra dollars in the pot and that it will be able to sweeten that pot come next election.

• (1650)

In other words, the hidden windfall revenue that could conceivably be collected by this allegedly revenue neutral tax would then be used to try to bail it out. It either is revenue neutral or it is not. That is why the Canadian Chamber of Commerce and the CFIB and others have said if there is any moneys extra that accrue to government they should be used to directly pay down the deficit as opposed to playing games with electoral promises come the next election.

Another area that was very important was the area of fairness. The government said that any goods and services tax or retail sales tax would have to be fair. It has tried to put forward figures indicating that people earning $30,000 or less a year in terms of family unit would be better off under the goods and services tax.

Those numbers have been challenged by reputed people in the area of economics in this country such as Neil Brook's study, the study for global economics. The credits are not fully indexed. This is where the fairness

element has not been met. The Minister of Finance says we can trust the government because from time to time it will adjust those credits to make sure they are fair.

Let us review what the Minister of Finance and the government were saying themselves, not what the opposition was saying. Specific undertakings of the government were that the tax would be visible. It is not visible. It can be visible but it does not have to be visible. Another undertaking was that it will be fair where credits are not indexed; that it will be revenue neutral where there is no guarantee of that because experience elsewhere showed us other things.

We come to the last point and that is integration. One of the things that the Minister of Finance of the government said had to happen with this goods and services tax is that there had to be provincial participation. The provinces as recently as last weekend said no to an integrated national sales tax system.

I submit that the reason we have had to proceed on the basis we have, of eliminating the bill in its entirety, is because the tax is not visible as was promised by the government. It is not fair as was promised by the government because credits are not indexed. It is not integrated with provincial retail tax collection systems because the provinces have refused to do it. There is absolutely no guarantee that it will be revenue neutral.

I believe that the government should take the advice of the Canadian Federation of Independent Business, the Canadian Labour Congress, the Canadian Chamber of Commerce, all of whom in various ways and the minister well knows, support the principle of this tax, but say that because of the nature of the problems he faces and the kind of bill he has brought forward, the tax should be withdrawn.

Mr. Jim Fulton (Skeena): Mr. Speaker, it has been an interesting afternoon waiting to have a chance to speak about this bad legislation, Bill C–62.

We have some 80 amendments before us this afternoon. I see the Minister of Finance here and I understand there have been some discussions both by himself and the Minister of the Environment and cabinet regarding the convenience of using environmental concerns in Canada by stalling the Minister of Environment's five–year plan until the fall. They know from the polling and the tracking of the polling in the last few years that Canadians are prepared to pay higher taxes and higher costs to clean up the environment for clean drinking water, to clean up the atmosphere, to clean up toxic and hazardous waste, dumpsites, and to clean up the Great Lakes.

There are many areas where Canadians are prepared to pay higher taxes and higher costs. There is a Machiavellian nature to the timing of thisof this bill. This fall the $14 million in advertising on the GST really gets rolling and this so–called double window of public consultation will take place in April and May and June and with provincial and territorial governments, leading to the Minister of the Environment's plan in the fall.

The hope of the Minister of Finance and the government is to try to meld the two issues, the desire of Canadians to clean up the environment with the unpopularity of the GST, by trying to squeak them through with some greater degree of public support into next January. I think that plan is likely to fail because certainly people in the environment community have recognized very quickly the ridiculousness of the position in which the Minister of the Environment has placed himself and the Conservative government. Let us take a look, Mr. Speaker, at the key reasons for the unpopularity of the GST in Bill C–62. I will come back obviously on another occasion dealing with the broader aspects of the debate that we had here last fall, which was to have a GTS instead of a GST, a green tax system, something that has been looked at by economists who have some understanding of the gravity of the globe's plight. Unfortunately nobody on the front benches of this government seem to have any understanding of it whatsoever, whether it is the plight of the ozone or in terms of greenhouse warming.

We see the Minister of Energy, Mines and Resources sitting here today after his recent meetings in Kananaskis. We on this side of the House recognize that he has absolutely no understanding of the severity of the problems of carbon dioxide and methane and CFCs and other greenhouse gases on the atmosphere. It is a very flat earth approach to simply say: "Well, we will wait until 1992. We will wait till Brazil or we will wait until 1995 or we will wait till the year 2000". It is the famous shell game.

Let us look at the impact of Bill C–62, the Conservative plan, in terms of people's income, comparing the GST and income tax burdens needed to raise the $18.5 billion the Minister says he needs. This would come from one-earner couples with two children. With an income of $20,000 the GST would take $695 while under income tax it would take $70. For an income of $30,000, $1,405 from the GST, $747 from income tax, about half. At $45,000 it would be $2,475 under the GST, $2,303 under the income tax system.

Mr. McDermid: What does the MST take from them now?

Mr. Fulton: They are pretty sensitive, Mr. Speaker. Sixty thousand dollars income, it would be $3,115 under the GST, $3,953 under income tax.

The Acting Speaker (Mr. Paproski): The hon. Minister of Finance on a point of order.

Mr. Wilson (Etobicoke Centre): I just wanted to point out to you, Mr. Speaker, I am sure you recognize this, that this is terribly, terribly misleading. They do not point out the fact that there is existing sales tax that is already being paid and they do not point out that there is a GST credit that reduces the amount of GST net that the individual taxpayer pays. This is terribly misleading.

The Acting Speaker (Mr. Paproski): That is a point of debate. The hon. member for Skeena has the floor. The hon. member for Mission—Coquitlam.

Ms. Langan: Mr. Speaker, that really was not a point of order and I hope that the member for Skeena will have the time added to his time.

The Acting Speaker (Mr. Paproski): The member for Skeena always has the time added to his time. The hon. member for Skeena has the floor for two minutes.

Mr. Fulton: Mr. Speaker, I am glad to tell the Minister of Finance where the statistics I am using come from. They come from the finance department's statistics that were provided to the finance committee.

Mr. Wilson (Etobicoke Centre): It is not the whole story.

Mr. Fulton: Mr. Speaker, the Minister of Finance says that the whole story is not being given out.

Mr. Wilson (Etobicoke Centre): Half truths.

Mr. Fulton: Half truths the Minister of Finance says. Well, we know that the GST is not even half truth. We know exactly where it is coming from because the whole plan is to divert more capital into the hands of the very rich in this country. We know that 5 per cent of Canadians now control 50 per cent of the wealth in the country and that the Minister of Finance's most famous remark was there are not enough millionaires in Canada. Well, the GST is designed to try to make a few more of his friends millionaires.

Let us take a look at someone with an income of $100,000. The GST would be $4,875 whereas income tax would be $8,155. So what does this mean? It means that a working poor family with an income of $20,000 will pay 10 times more in taxes, $695 versus $70, if the money is raised through the GST instead of income tax. The wealthy family on the other hand with an income of $100,000 will pay 40 per cent less through the GST than they would pay through income taxes.

The Acting Speaker (Mr. Paproski): The hon. member would have had three and a half minutes remaining in his debate. I will give him four minutes when we come back with Bill C–62.

It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—SENATE BILLS

[*English*]

EASTERN SYNOD OF THE EVANGELICAL LUTHERAN CHURCH IN CANADA ACT

MEASURE TO ENACT

Hon. Walter McLean (Waterloo) moved that Bill S–11, an act to restructure the Eastern Canada Synod of the Lutheran Church in America under the name of the Eastern Synod of the Evangelical Lutheran Church in Canada, be read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): A point of order, the hon. member for Kingston and the Islands.

Mr. Milliken: Mr. Speaker, if Your Honour were to ask, there might be unanimous disposition on the part of

the House to allow this bill to be dealt with in Committee of the Whole rather than go to a legislative committee, if the hon. member wishes to do so, so that the bill can be dealt with in all stages today.

The Acting Speaker (Mr. Paproski): Is there consent? The hon. member for Saskatoon—Clark's Crossing.

Mr. Axworthy (Saskatoon—Clark's Crossing): Yes, Mr. Speaker, there is consent.

The Acting Speaker (Mr. Paproski): We will commence debate and then we will go into Committee of the Whole.

On debate, the hon. member for Waterloo.

Mr. McLean: Mr. Speaker, I want to thank the hon. member for Kingston and the Islands and members of the New Democratic Party for their collaboration.

Bill S-11 reflects a movement toward strengthening and uniting the Lutheran Church in Canada. It will not only advance the important work of Lutherans here in Canada, but also around the world through the Lutheran World Federation Service. It extends its services in co-operation with CIDA and other agencies in international development assistance around the world, as seen most recently in the independent Namibia where it has been involved in education and health care for many years.

As the member of Parliament for Waterloo, I am pleased to represent an area with a large Lutheran presence, including administrative offices and the Waterloo Lutheran Seminary. Founded by the 16th century German Protestant reformer, Martin Luther, the Lutheran Church has significant membership and support across Canada and across the United States. I am especially proud of the contributions the Lutherans have made, not only to the communities of Waterloo region, but to the development of Canada.

Today, as a Presbyterian supporting Bill S-11, which was introduced in the other place by my fellow Presbyterian, Senator Heath MacQuarrie, I speak on behalf of the Eastern Synod of the Lutheran Evangelical Church in Canada, the petitioners of this bill. The Eastern Synod represents those members who live in the province of Ontario, east of 86 degrees longitude, and in the provinces of Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.

The bill allows the Eastern Canada Synod of the Lutheran Church in America to restructure under the name of the "Eastern Synod of the Evangelical Lutheran Church in Canada".

The Evangelical Lutheran Church in Canada was formally organized in 1986 as a merger of the Lutheran Church of America, Canada section, and the Evangelical Lutheran Church of Canada. The Eastern Synod is the legal successor to the previous Eastern Canada Synod of the Lutheran Church in America. As such, it includes all congregations but one in Geraldton of the former Eastern Canada Synod congregations and several congregations of the former Evangelical Lutheran Church of Canada.

The Eastern Synod will thus continue in the tradition of Lutheran jurisdictions in these provinces, which began with the 1884 Charter of the Evangelical Lutheran Synod of Canada. This body merged with the Synod of Nova Scotia in 1962, to become the Eastern Canada Synod of the Lutheran Church in America.

Bishop William Huras notes that an earlier merger in 1925 united the Synod of Central Canada, organized in 1909, to serve English speaking congregations with the Evangelical Lutheran Synod of Canada, retaining the original charter of the latter. Both of these bodies served the provinces of Ontario and Quebec.

Lutheran congregations and jurisdictional units preceded these chartered bodies. For example, Zion Lutheran Church in Lunenburg, Nova Scotia, was founded in 1772 and St. Peter's Cambridge in Waterloo region was founded in 1834. The first Lutheran congregation in Ontario was founded by United Empire Loyalists in 1784 in what is now Riverside Heights, Ontario.

The Eastern Synod will be the latest Lutheran jurisdiction in a noble line of Lutheran communities in this part of Canada, serving in six provinces.

Mr. Speaker, I commend to you this very helpful and useful evolution of a fine group of Christian people across Canada.

Consultations have taken place as was mentioned a moment ago, and I believe there is now a disposition to give this bill second and third readings. I think we might proceed, as appropriate, to pass this bill through all stages.

Motion agreed to, bill read the second time and, by unanimous consent, considered in committee, reported and concurred in.

The Acting Speaker (Mr. Paproski): When shall the bill be read the third time? By unanimous consent, now?

Some Hon. Members: Agreed.

Mr. McLean moved that the bill be read the third time and passed.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I just want to commend the hon. member for his efforts in bringing this bill before the House.

I know that the petition for the bill was late and it was referred to the Standing Committee on Privileges and Elections where the committee recommended to the House that the fees in respect of this bill be waived and that the late petition also be waived so that the bill could proceed.

I know that the member has been diligent in his pursuit of the cause of this church in assisting with this bill. I want to say to Your Honour that we are happy to be able to assist him today by agreeing to have the bill passed through all stages on this occasion.

• (1710)

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I too want to say that we are pleased to move Bill S–11 through all stages today.

I commend the hon. member on the initiative that he has taken. We had to make special provisions to enable this private bill to proceed. I must say, as a member of the Lutheran Church for my entire life, having been baptized and confirmed in the Lutheran Church, that I am pleased to see this initiative.

I want to say that this process would provide a good model for us to follow on a regular basis. There has been the co–operation of all three political parties in ensuring that this legislation not only would proceed through some very difficult moments but proceed expeditiously with full co–operation. This demonstrates clearly that when members of Parliament work together toward a common cause incredible things can happen in a very short time.

I simply want to say that I am pleased to support this initiative on behalf of my party. I thank the hon. member for the initiative that he has taken to make this possible.

Motion agreed to, bill read the third time and passed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

LOW–LEVEL FLIGHTS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, as you are aware, on March 7, just a few weeks ago, I asked the Prime Minister a question concerning the low–level test flight facility at Goose Bay, Labrador. When I asked the minister the question I indicated that I had read press reports that he had exhibited some skepticism as to whether NATO would approve this low–level test flight base at Goose Bay.

I asked the Prime Minister, rather than leaving the decision up to NATO, whether he would not do the right thing on his own accord and on account of the people of Canada and cancel the low–level test flight base as an initiative of the Canadian government as opposed to waiting passively to have NATO cancel the base.

The Prime Minister at that time gave me a flippant answer, an offhand kind of answer in which he accused me and the NDP of being against the creation of thousands of jobs in Newfoundland and Labrador.

We want to see jobs created in Newfoundland and Labrador. We believe that some of the things that this government has done over the last little while, such as its mismanagement of the fisheries and its elimination of some of the regional development programs that were designed to assist some of the problem areas in Canada, have actually destroyed jobs in some parts of the country including Newfoundland and Labrador. It is really the failure of this government and its policies that have required those jobs to be created.

We in this party, and I believe most Canadians, do not want to see are jobs created in Newfoundland and Labrador at the expense of the Innu people and the

environment in Labrador. We do not want to see jobs created at the expense of destroying the way of life of those people or undermining of the very underpinnings of their culture.

We feel that there is every justification for Canada to withdraw its support from the Labrador base.

For example, Mr. Speaker, you have probably seen the environmental impact statement that was done by the Department of National Defence. It has been dismissed as shallow, as biased and as bad science by virtually every scientist and every competent analyst who has read it. The environmental impact statement done in support of the Goose Bay testing program has been completely dismissed. We hope that the federal Minister of the Environment will come down, dismiss the report and cancel the base.

Virtually every native nation in this country now finds itself in conflict with the federal government over environmental issues. The Innu is one group. They are now in court in Toronto arguing that this base violates their aboriginal rights, their human rights, and even their rights under international covenants to protect their human rights and their rights to maintain their own culture.

The Barriere Algonguin people are now in court in Quebec because environmental developments in Quebec in the forest industry have progressed without consultation with those people. We would hope that Canada would do the right thing there as well by taking intervener status in the courts against the Government of Quebec to make sure that the Barriere Algonguin people are consulted before their lands are desecrated by clear-cut logging.

The same is true in James Bay. You will be aware, Mr. Speaker, that just a few days ago the Cree and the Inuit from James Bay came to the steps of the Parliament Buildings here in Ottawa to protest the kinds of developments that are taking place in James Bay. The James Bay project which threatens to destroy their livelihood, flood their traplines, poison the fish and destroy their communities is being expanded.

Unfortunately, Canada is not listening to the arguments made by the James Bay Cree and Inuit. Canada is not listening to their arguments because rather than coming to Parliament to make their case, they feel that they now have to go to the United States to make a case to the people who will be buying Quebec hydro under long-term contracts. Those people, in preference to the people of Canada, tend to lend a sympathetic ear to the concerns of the James Bay Cree.

As Max Yalden has pointed out in his report, Canada can no longer ignore the pleas that are being made by the native people. We can no longer treat native people in areas of economic development as if their lands were not owned by them and as if they were non people who do not occupy lands.

We can no longer treat aboriginal lands as if they are empty and open for development. We are going to have to treat those people as if they have rights to occupy the lands on which they live and as if they have the right to be consulted and their consent sought before those lands are developed in such a way as to destroy their communities, their livelihoods, their lives and their health.

This is the concern that I have to the response that the Prime Minister gave on March 7. You cannot treat these problems flippantly and without the kind of seriousness that they deserve.

Native people are not taking it any more from the people of Canada and from the Government of Canada. They are now taking their case to the courts where they are being successful in demonstrating that Canada ignores their human and aboriginal rights, their very right to live with the same level of health and the same standard of living as other Canadians.

There is not only that, they are taking their case to international courts, to the United Nations and international human rights commissions. They are being successful in international bodies. This is becoming an embarrassment to Canada, as it should be an embarrassment to Canada in the way we treat our native citizens.

I believe that Canada could be doing the right thing on the Innu issue in Goose Bay on its own initiative by cancelling the Goose Bay project. We know that it will not stand up to the environmental test. It does not stand up to the human rights test. It does not stand up to the test of fairness which should be the test that this government uses in all its decisions with respect to aboriginal people.

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, as the hon. member knows, in 1990, NATO identified a requirement

for a NATO tactical fighter centre. This centre, when established, will be used for training allied air forces.

Two sites are presently under review, Goose Bay and Konya, Turkey.

Any decision not to build the centre would be taken by members of the Alliance, and no such decision has occurred.

Canada continues, therefore, to work toward the goal of establishing the centre at Goose Bay. We also continue to discuss our interests with parties opposed to the establishment of the centre in Canada.

I want to say once again to assure this House that any decision to establish the centre at Goose Bay is subject to the government's ruling on the environmental panel's recommendations and the over-all terms and conditions proposed by NATO.

• (1720)

In 1984, when the Government of Canada proposed Goose Bay as a possible site for the centre, the government began the environmental assessment review process. The first of two phases has been completed with the publication of the environmental impact statement.

This study was released for public review, and full hearings will be conducted in the affected communities of Labrador and northeastern Quebec. The panel may also wish to hold hearings in major centres in eastern Canada before recommendations are made to the federal government.

I would also point out that the establishment of a NATO tactical fighter centre at Goose Bay would, as the Prime Minister said, create new jobs for the people of Newfoundland and Labrador. It would be of great economic benefit.

As I said earlier, no decision has been taken by NATO not to proceed with the establishment of the centre.

The Government of Canada will continue with the environmental assessment process to determine the feasibility of establishing a NATO tactical fighter centre at Goose Bay.

[*Translation*]

Mr. Speaker, I may add that when we made our offer in 1984, we were serious about it. Today, people tend to criticize government studies. In fact, we are damned if we do and damned if we don't.

Mr. Speaker, I met many groups, including one that did not want to take part in the task force because it wanted to sell its study instead of giving it away.

[*English*]

EXTERNAL AFFAIRS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, on March 26, 1990, I rose in this House to ask the Secretary of State for External Affairs to intervene to help Leonid and Natalia Stonov. They have been waiting for almost 12 years to get their exit visas to leave the U.S.S.R. and go to Israel.

They first applied to leave in 1979, almost 12 years ago. They last applied in 1988. At that time were not only turned down again but were told: "Do not apply for at least another four years".

The reason for the latest refusal in 1988 was that Leonid possesses state secrets. Mr. Stonov was a herbologist. He has not practised his profession in over 10 years. How could he possibly possess, at this stage, state secrets that would worry the U.S.S.R.?

Even Mr. Gorbachev has stated that, in most cases, the state secrecy rule should not apply beyond five years. How could the Stonov's case possibly be an exception to that statement by Mr. Gorbachev?

On Sunday, March 25, 1990, I met with Natalia Stonov at Beth Tikvah Synagogue in Willowdale. She was in Canada on a visitor's visa. The Stonovs have been adopted by the Congregation of Beth Tikvah Synagogue.

On that morning we contacted Leonid Stonov in Moscow. It was thrilling to talk to him.

Leonid is one of the leading members of the Refusnik community in Moscow. Perhaps that is why he has been treated so cruelly for over 10 years.

He and Natalia, who is a physician, have both been stripped of their academic degrees and were once arrested for parasitic behaviour. In other words, they were unemployed.

While I want to condemn the Soviet authorities for their treatment of individuals such as the Stonovs, there are hundreds of Refusniks like them.

It is time that the Soviet Union totally lived up to its human rights obligations. How can it possibly be planning to host an international conference on human rights next year, 1991, in Moscow when these cruel abuses continue?

There is an urgent need to deal humanely and compassionately with these long-term Refusniks. On the other hand, I compliment Mr. Gorbachev for his introduction of *glasnost* which means more openness and *perestroika* which means restructuring.

From a human rights standpoint, and to be fair, the record must show that an incredible number of Jews have received exit visas in recent years.

Let the record show that in 1986, when I was elected chairman of the Canadian Parliamentary Group for Soviet Jewry, only 914 Jews obtained exit visas.

I led a small all-party delegation to the U.S.S.R. in 1987. We met with more than 150 Refusniks and with several Soviet officials. There were some positive signals but the climate was rigid and uncompromising. *Glasnost* had been announced and Mr. Gorbachev was obviously insisting that changes must be made. In 1987, more than 8,000 Jews received exit visas. In 1988, the number climbed to more than 18,000, and last year, 1989, more than 70,000 Jews obtained their exit visas.

While *glasnost* has brought some progress on human rights, it has also revealed a dark side. With more openness in letters to the editors in newspapers, on TV and in books, many people are fanning the flames of anti-Semitic behaviour. This is a most regrettable and despicable development. Because of the vile nature of these anti-Semitic fanatics, many thousands more Jews now want to leave the U.S.S.R. Jews have become the scapegoats of *perestroika*.

However, increasingly the way to the Jewish state is blocked. After 23 years of a diplomatic stalemate, no direct flights between Israel and the Soviet Union exist. The only way for Soviet Jews to reach Israel is to disembark at some airport in Europe and then arrange a direct flight to Tel Aviv. Hungarian Airlines recently cancelled its Moscow-Budapest-Tel Aviv flights due to threats from Arab terrorists.

Last week, over 200 members of the U.S. Congress signed a letter to His Excellency Yuriy Dubinin, ambassador of the Soviet Union in Washington. In the letter, they said that they were appalled and dismayed to learn that the Government of the Soviet Union had rejected an appeal from President George Bush and Secretary Baker to permit direct flights for Soviet Jews from Moscow to Israel.

I call upon the Canadian government to work with other democratic governments in the east and the west to help arrange for direct flights from the U.S.S.R. to Israel. The backlog of Soviet Jews with exit visas waiting to leave the U.S.S.R. is in the tens of thousands. This is a human rights time bomb.

In summary, there are three issues that we as Canadian parliamentarians must solve. We cannot solve these issues ourselves. We need the support of other democratic countries.

First, we must continue to pressure the Soviet authorities to deal quickly and compassionately with individual Refusnik cases such as the Stonovs. Let us not have the large volume of Jews receiving their exit visas overshadow the cruel plight of individual Refusniks such as the Stonovs.

Secondly, a way must be found to arrange for direct flights from the U.S.S.R. to Israel.

Third, leaders of the western world must speak up about the ugly consequences of unbridled anti-Semitism.

These are awesome challenges, but this should not deter men and women of good faith to tackle these challenges with all their energy and resources.

Mr. Patrick Boyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I welcome this chance to respond to the hon. member for Markham—Whitchurch—Stouffville. Since he and I both were elected here in 1984 I have heard him rise in the House of Commons on countless occasions to speak on behalf of individuals who are in the Soviet Union seeking refuge and freedom in the west and this afternoon it is just one more of those cases. In responding to him, I will very briefly make some general observations and address the specific case he has raised.

The broad context, of course, is that the condition of Soviet Jews has been improving considerably recently with greater opportunities for cultural and religious expression within the U.S.S.R. As well, there are relaxed restrictions on emigration. To that, we should also make note of the fact that a new Soviet draft law on emigration

is currently under consideration. It will offer some hope of easing further the circumstances under which exit visas are obtained.

One very worrisome trend to which the hon. member referred directly is the continuing reality of anti-Semitism in the Soviet Union. There are a variety of cultural and historic reasons for this. The tragic reality is that this continues to be a potent force in Russian life to this very day.

• (1730)

The Government of Canada notes that and also notes, with regret, that although emigration thresholds for Soviet Jews have risen considerably in recent times, there are still many Refusnik families waiting for permission to leave the U.S.S.R. Among those families is the particular case of Dr. Stonov to which the member has referred to again today.

I would like to assure the member, through you Mr. Speaker, that the Government of Canada will continue to press the Soviet authorities on these remaining cases. We have been doing that. We have had very good success rates.

Specifically, I should report to the House that a senior official of the Department of External Affairs recently met with Dr. Stonov's wife, Natalia Stonov. She presented that official with a petition concerning her husband's status, a petition that was addressed to the Soviet authorities. Mrs. Stonov was assured that the petition would be conveyed by us to the appropriate Soviet authorities, through the Canadian Embassy in Moscow.

Our Ambassador continues to work with diligence and as a matter of priority on these matters, reflecting the policy of the Mulroney government on these issues. Such cases are followed up with the priority that we feel that they most assuredly merit.

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, on October 18, 1989 at page 4810 of *Hansard* the former Minister of Fisheries, on behalf of the federal government, expressed confidence that the 10 to 20 per cent direct export of salmon and herring could be effectively monitored in terms of conservation needs and management requirements.

On February 22, 1990 the Minister for International Trade and not the Minister of Fisheries announced that an agreement had been reached with the U.S. on the free trade act panel report which concluded that direct access by the U.S. to between 10 per cent and 20 per cent of our salmon and herring caught off the B.C. coast could be provided and still ensure that management needs could be met. It would appear that only the federal ministers of the government believed in this absurd proposition.

There are a number of points which could be touched upon in the course of the proceedings.

First, the agreement reached between Canada and the U.S. will allow for the direct export of 20 per cent of the salmon and herring catch in the first year of a four-year agreement with that increasing to 25 per cent in the years 1991 to 1993. At that time, the entire issue will be subjected to a review.

According to Carla Hills, the U.S. trade representative, this agreement is an interim arrangement only. In so far as the U.S. is concerned, the issue is not settled. It could well be that Canada has provided the U.S. with the precedents it requires to gain full access to our salmon and herring stocks by exceeding the limits recommended by the free trade act panel ruling.

Second, it must be kept in mind that what the U.S. objected to last spring was that landing requirements would impede access to salmon and herring. What the "at sea landing regulations" brought into effect on February 22 actually accomplished is merely to transfer the application of the landing regulations from a shore-based to a sea-based facility.

Third, the former minister told the House on June 14, 1989, as reported at page 3014 of *Hansard* that the imposition of landing regulations would not likely result in job losses. Obviously the minister has failed to read assessments made by and for his department.

In an April, 1989 background document on the landing requirements there appeared the following: "The revocation of the export restrictions could result in the export of large quantities of unprocessed fish. This will affect the raw material supply for processors".

In June, 1989 a document entitled "Vision 2000" prepared by the Pacific Coast Advisory Group contained the following: "The impact of the removal of export restrictions on salmon and herring is as yet uncertain. It could result in a significant increase in the export of unprocessed fish to the U.S. with loss of jobs in the Canadian processing sector".

Fourth, in the official press release of March 9, the Regional Director of Fisheries and Oceans in Vancouver stated that "100 per cent of the at-sea exports will be subject to exactly the same controls as are in force at shore-based landing stations" and that "all vessels engaging in at-sea exports must have a departmental representative on board at all times".

At page 7 of a document entitled *Implementation Plan for the Negotiated Settlement for the Free Trade Act Panel Report* dated March 7, 1990 there is found the following: "While most packers will be sampled several times during the fishing season, sampling will not always be done in every fishery or at every loading station on an individual packer". This document was not distributed with the press release referred to earlier.

At page 41 of the actual FTA Panel Report of October 1989, the following observation was made with respect to the possibilities of error: "the risk of error cannot be excluded when part of the population is not available for sampling, and the risk increases with the size of the missing part. The panel agreed that at some percentage that risk would become too large to be acceptable".

Fifth, on the same day the new at-sea landing regulations were brought into force March 9, the Department of External Affairs approved 107 export permits for the shipment of unprocessed herring to the U.S. for freezing before shipment back to Canada for further processing. That was late on a Friday afternoon.

The issue arose as to whether consultations between DFO and External Affairs had taken place prior to the issuance of these permits. Those questions have still not been answered, although asked twice in this Chamber.

The question arises as to when these consultations took place, if at all, and whether the information provided regionally reflected the intention of External Affairs to grant the export permits.

Sixth, as recently as this past weekend the issue of the possible export of unprocessed herring became an issue. According to news reports, some 17 containers of unprocessed herring were supposedly destined for Japan. According to a telex from DFO to the industry on March 20: "Frozen round herring that contains roe will not be approved for export to other than the U.S.A. by External Affairs".

The question becomes whether there will be any effort to use the vehicle of export permits to eventually circumvent even the extremely weak regulations now in place.

In conclusion, the tragedy is that the maximum damage the U.S. industry originally sought back in 1988 was $5 million. What this government has managed to do is place in jeopardy a $900 million industry which employs more than 8,000 plant workers.

The evidence is clear from the minister's own department that the export of unprocessed fish will result in the loss of product for Canadian processors which translates into a loss of jobs for British Columbians.

In the *Vision 2000* document there appears the following: "The costs of Pacific fisheries management will have declined to 70 per cent of the level of the mid-1980s and will be totally recovered from the industry in increased fees and royalties and other user-pay or devolution arrangements by the year 2010".

The agreement reached in February on salmon and herring ensures that the role of the federal Department of Fisheries is well on the road to becoming irrelevant in terms of management.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I want to thank the hon. member for his question. In my reply, I will concentrate on the herring roe he mentioned earlier, to explain how the system works.

Effective March 9, 1990, according to our export and import licensing legislation, an export licence will be required for all exports of unprocessed herring roe. This was consequential on an agreement negotiated under the Canada-U.S. Free Trade Agreement, and the purpose is to fully protect Canada's ability to preserve and manage its herring roe stocks.

Under the Free Trade Agreement, exports of unprocessed herring roe to the United States are allowed if the herring is given additional processing or is meant for domestic consumption. This will help to ensure that herring processing which, I may add, is very labour intensive, is maintained in Canada, thus preserving Canadian jobs.

For the best quality roe, the herring must be frozen as soon as possible after it is caught within 72 hours.

The best way to freeze herring to ensure of the herring roe of the best quality is to use the individual quick freezing process. Facilities in British Columbia have an individual quick freezing capacity of 4,000 tons a day, including 2,600 tons coming from the lower mainland and the rest from Prince Rupert. In 1990, the total allowable catches or TAC, for herring are set at 30,769 tons.

The implementation of this new measure resulted last year in two special request. First, British Columbia processors wanted to be allowed, in cases of overabundance of fish, to export their herrings to the United States to use their individual quick freezing facilities; these herrings would be returned later on to Canada for roe extraction. This year, this exercise was allowed to help the industry adjust its operations for the future.

Second, there was the case of a British Columbia exporter who wanted to send unprocessed herring roe directly to Japan. The exporter was advised that the government had no intention of approving the export of herring roe to any country except the United States, and again provided if some conditions would be met.

Effective March 30, 1990, 127 licences were issued, including 83 to allow herring roe to be quick frozen in the United States and then returned to Canada to be processed, 21 of which were used for a total of 357 tons. As to the process of herring roe in the United States, 44 licences were issued, 22 of which were used for a total of 325 tons. Therefore, it is not likely, that herring roe export levels will change dramatically before the end of the current fishing season.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 5.42 p.m.

HOUSE OF COMMONS

Wednesday, April 4, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

ANNUAL REPORT OF COMMISSIONER OF OFFICIAL LANGUAGES

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, yesterday, the Commissioner of Official Languages submitted his annual report to us. To everyone's surprise and great disappointment, he does not mention the city of Sault Ste. Marie, which nevertheless attracted a lot of attention earlier this year, and which I have denounced publicly.

I would point out to him that since 1987, about fifty Ontario municipalities have openly proclaimed themselves unilingual English. This is horrible! However, he does not mention that in his report.

Although the Commissioner is not a prophet, he could certainly have felt, like many French Canadians, this great linguistic malaise that exists in Canada and is rampant in some towns and cities, but he did not even see fit to mention it in his preliminary remarks.

A city or town like Sault Ste. Marie which declares itself to be unilingual English needlessly humiliates its French minority. Groups like APEC, the Alliance for the Preservation of English in Canada, a reactionary association that feeds on the fears and prejudices of past centuries, now seem to be spreading across Canada. There is also the COR (Confederation of Regions) Party, which like all the others propagates racist, anti-French ideas that are dangerous for our democracy.

We will probably have to wait until next year, Mr. Speaker, to know the extent of this concern. All I hope is that it will not be too late.

[*English*]

4-H NATIONAL CITIZENSHIP SEMINAR

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, this week Ottawa is playing host to Canada's 4-H delegates during their National Citizenship Seminar.

These young people from across our country will be discussing Canadian government systems, their rights and responsibilities as citizens, and they will be learning about each other.

All members should be proud of these young adults who were selected as delegates for their outstanding achievements in their local and provincial 4-H activities. I am proud that several of these exceptional young Canadians are from Prince Edward Island.

Head, heart, hands and health is the 4-H motto. This great national organization provides young people with the opportunity to develop both leadership and life skills and, in doing so, contribute to the well-being of our communities.

On behalf of all members of the House, I commend these young people for their accomplishments to date and wish them every success in their future endeavours.

* * *

GOODS AND SERVICES TAX

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, very soon members of this House will be voting on the goods and services tax. Close to 80 per cent of Canadians oppose the tax, but the government has chosen not to listen.

Only 21 of the 167 Conservative MPs need to vote with the combined opposition parties to defeat the tax, so we are urging Canadians across the country to phone their Conservative members of Parliament and tell them to vote against the GST.

In Atlantic Canada, Canadians can phone the member for Annapolis Valley—Hants at 542-5737; the member for South Shore at 543-5141; the member for Halifax West at 865-9194; the member for Fredericton—York—Sunbury at 458-8046; the member for St. John's East at

739-0802; the member for Fundy—Royal at 433-4040; or the member for Carleton—Charlotte at 466-3670.

* * *

[*Translation*]

LE GALA DES GRANDS QUÉBÉCOIS

Mr. Charles DeBlois (Montmorency—Orléans): Mr. Speaker, this evening, the second *Gala des Grands Québécois* will take place in Quebec City, organized by the *Chambre de commerce et de l'industrie du Québec métropolitain*.

On behalf of my colleagues from the Quebec City region, I wish to pay tribute to three famous people who will receive the title of Grand Québécois this evening: painter Jean-Paul Lemieux, businessman Jacques Morisset and Senator Renaude Lapointe, who in their respective careers have always been an honour to Quebec City and the general area.

Mr. Speaker, they will join Senator Jean-Marie Poitras, author Roger Lemelin and Father Georges-Henri Lévesque, who last year became the first members of the *Académie des Grands Québécois*.

Speaking on behalf of the residents of the Quebec City region and especially those of Montmorency—Orléans, I want to thank these three laureates for their outstanding contribution to the economic, social, cultural life of our beautiful region.

* * *

[*English*]

YUKON LAND CLAIMS AGREEMENT

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, last week the government announced it had approved the agreement in principle for the largest comprehensive aboriginal claim in Canada. This is the claim of the 17,000 Inuit of the central and eastern Arctic.

The elements of this deal were arrived at by the negotiating parties last December. In February, the agreement in principle was approved by the Inuit negotiators. Last week's approval by the federal cabinet is another major step toward a final agreement.

• (1410)

The Inuit negotiators who persevered over the past 14 years of negotiations deserve our thanks and congratulations.

A formal signing ceremony is planned for late April or early May, in Igloolik, to which the Prime Minister has been invited. I urge the Prime Minister to accept this invitation.

I also encourage the government to keep the door open for the Dene and Métis in the western Arctic. Justice requires a continued commitment to the fair settlement of both the Inuit and the Dene-Métis claims.

* * *

REFUGEE RIGHTS DAY

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, April 4 is Refugee Rights Day when Canadians from coast to coast celebrate the Supreme Court of Canada's decision five years ago today that every person in Canada who claims to be a refugee has the right to an oral hearing.

Ever since that day this government has tried to get around that decision, the UN Convention on Refugee Status and the Canadian Charter of Rights and Freedoms. It refused the quick and fair method for deciding refugee status asked for by Rabbi Plaut, all Canadian churches, Canadian labour, the parliamentary committee on labour, employment and immigration and every independent witness who testified on Bill C-55.

Instead, the government created a tangled, slow and unfair system that has built up a backlog of 21,000 claimants since January 1989 whose cases have not yet been decided.

Now, desperate because 1,900 of this year's claimants are waiting in Newfoundland for decisions, this government imposes still more transit visa restrictions on international travellers through Gander and Mirabel.

On behalf of all Canadians who help real refugees, I call on this government to stop stalling and enact the quick and fair system Canadians asked for.

PARLIAMENTARY FORUM ON GLOBAL CLIMATE CHANGE

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): Mr. Speaker, the Parliamentary Forum on Global Climate Change will begin here on Monday, April 23. This is a unique effort of eight standing committees of this House. For the first time committees have joined together to organize a group of expert witnesses who can give a rounded view on a problem of common interest. The forum will form part of a study of the environmental aspects of each committee's field of interest.

The eight organizing committees are delighted that you, Mr. Speaker, with your well-known interest in the environment, will be the opening speaker of the plenary session to begin at 10.30 on Monday, April 23.

As this forum progresses with joint meetings of the participating committees, which will each have chosen a major speaker, I believe parliamentarians and the public will become much better informed with a balanced view on climate change.

Our special proceedings will undoubtedly become excellent reference material on this topic.

I want to thank the many people on all sides of this House who have worked to make this Parliamentary Forum on Global Climate Change a reality.

* * *

LITHUANIA

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I have hundreds of letters here from my constituents urging the Government of Canada to demonstrate support for the Lithuanian people by recognizing the newly-elected government of the Republic of Lithuania. I will ask a page to deliver these to the Secretary of State for External Affairs directly.

Tonight, the Baltic Federation in Canada in conjunction with a committee of parliamentarians is holding its eighteenth annual Baltic evening. This event is a very special event as, historically, the Baltic peoples have held a very special place in the hearts of Canadians.

Tonight's Baltic evening, however, will be unprecedented in its historic significance since, among the guests, we will have the honour of hosting the first democratically elected Vice-President of the Republic of Lithuania in fifty years, Professor Bronius Kuzmickas.

On behalf of all Canadians to whom democracy is fundamental and human rights are non-negotiable, I say to Mr. Kuzmickas whom I had the pleasure of meeting in Lithuania: Welcome to Canada. We are very proud to have you on Canadian soil.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, yesterday the U.S. Senate witnessed an historic vote when the vast majority of its members passed a new clean air bill.

The bill concentrates on three specific areas: urban pollution, toxic emissions and acid rain. More specifically, I may say that an annual reduction of ten million tons in sulphur dioxide emissions meets the expectations of and is a response to pressure by the Canadian government on U.S. authorities. All Canadians have reason to rejoice, now that our U.S. neighbours have taken this giant step to protect the environment.

Mr. Speaker, I would like to draw the attention of the House to the major contribution made by Senator George Mitchell, who has always been Canada's staunchest ally in our fight against acid rain. The door is now wide open for negotiations on a bilateral agreement on acid rain, a plan dear to the heart of the Prime Minister of Canada.

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[*English*]

CLEAN AIR ACT

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, today I am sure all members of the House will want to join me in congratulating the United States Senate in passing the Clean Air Act last evening by a vote of 89 to 11.

Some hon. members: Hear, hear!

Mr. Darling: I would like to commend Senator George Mitchell, the U.S. senate majority House leader, for guiding through the legislation and for fulfilling his

commitment to get the bill passed. This bill will provide significant reductions in acid rain crossing into Canada.

I might say that I had the privilege of extending my congratulations by telephone this morning to Senator Mitchell.

We are now hoping that the House of Representatives will introduce and pass this important legislation in order that it can become law this year and we can all breathe a little easier on both sides of the 49th parallel with cleaner air.

ORAL QUESTION PERIOD

[*English*]

THE ENVIRONMENT

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources.

Yesterday after Question Period the Minister of the Environment said outside the House that Canada's energy ministers were being "too timid" about slashing carbon dioxide emissions. The environment minister went on to say: "We must be bolder".

Does the minister of energy agree with his colleague the Minister of the Environment? If so, will he today stop being timid and take bold steps to set targets to reduce air pollution in Canada?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, first, the hon. member talks about being too timid. If that accusation is valid for me, I imagine it is valid for some other people in this House, too.

I want to get directly to the question that the hon. member asked since it is a serious and important question.

After the Toronto conference energy ministers over the two-year period since 1988 looked clearly at what a 20 per cent reduction of CO_2 emissions, plus all growth, either industrial or through the use of private motor fuels, would mean in terms of the ability of Canadians to meet the target presented at the Toronto conference for the years between 1988 and 2005.

The first point that has to be made is that that would be a reduction of between 44 per cent and 50 per cent. That is the base line from which we would have to start.

The task force that we commissioned as ministers of energy released a report publicly which states in part: "It is believed that achievement of a 20 per cent reduction in carbon dioxide emissions by 2005 could cause significant economic dislocation and would likely require significant changes in lifestyle."

Some hon. members: Table it.

Mr. Epp: It has been made public. I can send hon. members a copy any time they want one.

Mr. Speaker: Perhaps we could proceed to the second question and the minister could continue.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, on March 10, 1989, over a year ago, the Prime Minister and 23 other heads of government signed the Declaration of The Hague which states:

> Today, the very conditions of life on our planet are threatened by severe attacks to which the earth's atmosphere is subjected.

If the Minister of the Environment said yesterday that energy ministers, including his own colleague, were being "too timid" about slashing carbon dioxide emissions and that "we must be bolder", what is he going to do to protect his own credibility to get his colleague to act in this matter? Or, does he disagree both with him and with his Prime Minister?

• (1420)

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I never said the word "timid"; never, never in my life.

Some hon. members: Oh, oh!

Mr. Bouchard (Lac-Saint-Jean): We all know that not one of my colleagues is timid. They are all bold and courageous.

Some hon. members: Hear, hear!

Mr. Bouchard (Lac-Saint-Jean): At least they are not timid with me.

What I said is that I hope Canada will be at the forefront of the fight against pollution and CO_2 emissions.

We will have a very good opportunity during the next month to test to what extent Canadians are willing to accept the radical changes that are needed to reach the targets we would like to set.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I am sure the journalists who reported his comments will be happy to release their transcripts of what they heard him say.

[*Translation*]

Mr. Speaker, yesterday, according to the newspapers, the minister said that the statement by the Energy ministers had some positive aspects, including the need for continuing the fight against emissions, but, he said, we must do more. If that is his position, what specific recommendations does he have today for his government? And if he doesn't want to give us his recommendations, how can we take him seriously on a subject that is so important to the future of this country?

[*English*]

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I think that this government will be the first in the history of Canada to set targets in terms of CO_2 reduction.

The decisions we have to make will have to be taken by 1992, at least, when the other countries of the world, led for the most part by Canada, will enter into an international convention to deal with climate change. If it is possible, we should do it earlier. I say "if possible" because we are dealing with possibilities here.

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OFFICIAL LANGUAGES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is for the acting Prime Minister.

For months we on this side of the House have been telling the government that it is not doing enough to promote the Official Languages Act and that that failure is a direct cause of much of the language tension in this country.

More specifically, we have demanded that the regulations relating to the Official Languages Act, passed 21 months ago in this House, be tabled. Still we have no regulations and no action.

This morning in an interview on radio station CHEZ-106 the Commissioner of Official Languages, D'Iberville Fortier, also criticized the government's slowness in acting. In fact the commissioner has threatened to resign in order to protest the absolute lack of action by this government.

Will the Prime Minister or the acting Prime Minister tell this House that he finally accepts the fact that the government has failed in this dossier and that it is a part of a major problem in this country that has to be addressed and resolved soon?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, we are well aware of the situation with respect to official languages in this country. I had a chance to consult with the commissioner just a few days ago, before he released his report. We had a frank chat about it.

As I mentioned yesterday in answer to the hon. member for Ottawa—Vanier, Bill C-72 imposes a rather complex and rather special process for consultation. This process has been gone through, after the first project of regulations was prepared. Obviously, if you are going to have consultations, the net presumption is that you are going to listen to the people you consult with.

Thus a second project was prepared. The next round of consultations will be getting under way very shortly with the major players, including the Commissioner of Official Languages.

This is very important. It is the first reform in 19 years. We want it to be meaningful. We want it to be well accepted, fair and equitable for all Canadians.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, we phoned all the agencies today. Consultations have taken place and have now been completed, but I will get back to that later.

I would like to say to the minister that the Prime Minister of this country said the Commissioner of Official Languages was an impartial, sensitive and objective observer of language questions in this country. The Commissioner said on radio, yesterday or this morning, that it was as if the government were afraid to implement its own legislation which received practically unanimous support in the House two years ago. Considering these statements, does the minister responsible intend to table the regulations today or at least issue a statement

with an action plan setting forth the Conservative Government's commitment to promoting official languages in this country?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, the action plan was already included in Bill C–72. The action plan is being implemented. The government's commitment is firm, and at the appropriate time, after full consultation with the parties concerned, we shall table the regulations in the House, in such a way that they are fair and equitable for all Canadians and are accepted by all linguistic communities in this country.

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LOW–LEVEL FLIGHTS

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of the Environment. The Innu are once again before the courts. They are asking for an injunction to stop low–level flights.

The minister is aware that these flights are considered to be hazardous to the people of Labrador and to the environment. Will the minister finally demonstrate he is truly convinced that it is imporant to protect the environment and will he intervene to put a stop to these low–level flights?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I will respond to that question. Obviously I cannot comment on a case that is before the courts.

As the hon. member knows, with respect to the proposed NATO flight training centre, we have indicated that no plans would proceed until there has been a full environmental review and that we would abide by the decisions of that review.

With respect to the existing low–level flights which are going on at Goose Bay, that comes about as a result of agreements which have been signed with our allies going back a number of years. We have agreed to introduce mitigative measures, to introduce monitoring to ensure that we avoid areas with wildlife or with people and to ensure that that activity is carried out in a very responsible manner.

THE ENVIRONMENT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Minister of the Environment.

Will the minister co–operate with his colleagues, since environmental issues require joint action from different ministries? If the minister is serious about the environment then he should undertake to do this.

I want to raise another matter with the minister. In his discussion paper tabled last week there are several paragraphs on the Arctic.

We know from many other studies that have occurred before that the Arctic has been largely ignored and that, for example, two–thirds of the children on Broughton Island are suffering from unsafe levels of PCBs in their blood. We need action on the environment now, and we need action in the north.

For example, Inco has offered to assist the Soviet Union to reduce pollution. PCBs are a serious source of pollution in the Arctic. Since we have an international agreement with 17 countries, I am asking the minister if he will move now to discuss with these western countries changing the agreement on transferring technology to the Soviet Union so that we can deal with these serious Arctic problems?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, as the Leader of the New Democratic Party can see this consultation document is quite complete and sweeping in its scope. The Arctic has been dealt with in the consultation document.

The consultation process will allow us to put different options before Canadians concerning a comprehensive Arctic policy. As we know, the Prime Minister signed agreements with the Soviet Union during his last visit to that country, so we are heading in the right direction concerning the Arctic.

I admit we have much more to do. I hope we will have the support of Canadians to do it at the end of the consultation process.

• (1430)

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the minister will certainly have the support of Arctic Canadians, but there have been many recommendations on which he should act now.

I would raise an issue on CO_2 emissions and the lack of action by this government. Yesterday, we saw the Senate in the United States at least taking some direct action on SO_2 emissions, and in fact the member of Parliament for Parry Sound congratulating the Senate on doing that.

The minister knows full well that global warming will have extreme consequences in the Arctic. When will the minister take some leadership for Canada on the CO_2 emissions and in setting those targets by 2005?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I wish the leader of the New Democratic Party would recognize the tremendous role that Canada has played in bringing the United States to this vote.

We all know that the acid rain issue was never raised in any meeting between the President of the United States and the former Prime Minister. Prime Minister Mulroney made it happen, and we should be proud of that as a country. As Canadians, this should be the day we enjoy it and be proud of it.

As far as CO_2 emissions are concerned, we all know that Canada is at the forefront of countries fighting this pollution problem. We have made commitments on this. The consultation process will give Canadians the opportunity to tell us what they will be ready to pay for and what they will be ready to accept in terms of radical changes. I trust that it will be a joint enterprise.

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OFFICIAL LANGUAGES

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the Acting Prime Minister. At a time when language tensions are escalating in this country, the government has done nothing to implement Bill C-72, which was passed by this House 20 months ago to promote bilingualism and to deal with such issues.

In August, 1989 the President of the Treasury Board told this House that regulations relating to the Official Languages Act would be tabled before the end of last year. This morning, the media reported that the minister now has said that they would be tabled some time after June 23. When after June 23? What year?

I want to ask the Prime Minister or the Acting Prime Minister, will he give us a date when these regulations will be tabled and we can deal with these issues in this country?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, first, I would like to answer my hon. colleague's allegation that I mentioned June 23 as any kind of a date relating to the regulations. Never, never.

Mr. Gauthier: You said that and we have you on tape.

Mr. de Cotret: I would like to have a copy, because I never said that.

The regulations will be tabled in this House as soon as the process set out and agreed to by all members of the House who voted for Bill C-72 is fully completed. They are well on the way. We have worked assiduously to complete the regulations, to go through the consultation process, to revise the regulations as a result of the consultations and to finalize those consultations as of now.

As soon as those are finalized, we will be tabling the regulations in this House.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, if the government is doing such a great job, why is the Commissioner of Official Languages threatening to quit his job?

We have contacted the different language associations in this country, and they have stated that they have already consulted with the government.

The Commissioner of Official Languages said that 80 per cent of federal institutions are not applying the 1988 Official Languages Act. He said: "Who is to blame when you are listening to a symphony and it is poorly played? You can say that the conductor has an important role in this."

Once again I want to ask the minister when will he table the regulations? Can he give us an exact date when

he will table these regulations, considering that the consultations have already taken place? What is holding him up? Who is he afraid of?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, certainly not the opposition.

It is very simple, the regulations will be completed as soon as the process set out in Bill C-72 is fully completed.

Mr. Allmand: It is already 20 months.

Mr. de Cotret: We have wasted no efforts to complete that process. That process is still on-going. We are following the law, which may be a strange concept to some people opposite. We are following Bill C-72 and we will table the regulations as soon as the process is completed.

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TAXATION

Mr. Douglas Young (Gloucester): Mr. Speaker, last week the Minister of Finance told Canadians that they were not legally required to repay old age pension funds and family allowance funds because the clawback scheme that the government has put forward has still not been passed by Parliament.

Subsequently, the Department of National Revenue has stated that it will calculate what would be due and withhold refunds.

I would like to ask the Minister of Finance today who has it right? Are those people obliged to pay those amounts now or is the Department of National Revenue going to get its way and withhold the funds?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as with any budgetary provisions, obviously the taxpayer has the right to file a notice of objection at which time the payment would be assessed. When and if the provision becomes law and receives Royal Assent, then there has to be a re-assessment and the tax-back provision would come into effect.

The taxpayer has a choice. But as I stated yesterday, we urge Canadians to comply with the provisions that are stated in the Ways and Means motion in order to prevent the ensuing confusion that may take place at a later date. As of today and before Royal Assent is given, the taxpayer has the option to file a notice of objection or comply with the Ways and Means motion which is currently on the books.

GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a question for the Minister of Finance. A number of people in Alberta, people generally, the premier, the treasurer of that province all oppose the goods and services tax because they are very much aware of what kind of havoc the GST will bring to Alberta. The Government of Alberta has produced a study showing that the impact on Albertans will be very, very serious.

Will the Minister of Finance admit to Albertans that, in fact, his goods and services tax is going to fuel inflation in that province as well as across the country, maintain high interest rates in Canada, and reduce consumer spending in Alberta and across the nation? Will he come clean with Albertans today?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have come clean with Albertans. I have said precisely what our analysis shows the impact will be in the province of Alberta. Alberta will benefit from the replacement of the manufacturers' sales tax with the goods and services tax to a greater extent than any other province in the country: close to 3 per cent in terms of increased income.

I have made the point, as my hon. friend has heard me say, that Albertans today are paying $685 for every man, woman and child through the manufacturers' sales tax. That has hardly changed as a result of the replacement of that tax with the goods and services tax.

It is very hard to understand the impact that the Alberta government says the GST will have on consumer spending. Where the impact will be felt will be because of the fact that Albertans are major exporters and that is where the GST will benefit their economy. Albertans will benefit because the cost of capital or the cost of a new oil well or a new pulp and paper plant will drop in price and also because the Alberta economy will benefit from opportunities to expand and diversify as a result of the combination of the federal sales tax being replaced by the goods and services tax and the free trade agreement.

HEALTH

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is directed to the Minister of Health. It has been revealed this week that the Department of Health has secretly commissioned further studies into the Meme breast implant. Yet the official position of the department remains that of the Kerrigan report that women should not worry.

Given that the government-commissioned Kerrigan report has been widely discredited, even called a plagiary by one leading researcher in the field, will the minister finally admit that his department has been misleading Canadian women on the safety of this implant, and will he withdraw this dangerous product from the marketplace until it is proven safe?

• (1440)

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, it would take more time than I have to correct all the inaccuracies in the hon. member's question. Let me, however, indicate a number of things to him.

First, we have not commissioned secret reports. A number of researchers have come to us to make proposals for research that they would like to do, which we have agreed to finance, and I think it is appropriate that we should do that. We have not had concerns which led us to commission reports.

Second, one of the reports that the member claims to be commissioned, which is being done by the Ottawa Heart Institute, is looking at all aspects of polyurethane in implants in Canada. It is not simply looking at the Meme breast implant.

Third, there have been some 12,000 Meme breast implants sold in Canada since 1984. The incidence of failure among the Meme is considerably lower than the failure rate among other breast implants. That should be a matter of which the hon. gentleman should be aware.

Additionally, there is a good deal of question about research that was alleged to have discredited the Meme when the hon. member gave his press conference earlier in the week.

I would like to make a proposal to the hon. member. Instead of going out and making false allegations, if the hon. member would like to have the facts, I would be pleased to have arranged for him a full briefing by officials within the department to give him the appropriate information so that he would have the information before making his allegations, instead of making his allegations first and seeking information after.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, both studies in the United States and in Canada show that this implant deteriorates within the body and produces carcinogenic products which then are distributed throughout the woman's body. There is no necessity to keep this product on the market while it is being investigated, none whatsoever.

Remembering that there are 60 cases in the United States and more than one in Canada in which this issue is being raised because of the safety of the product, what is more important to the minister: the profits of a distributor and a handful of plastic surgeons, or the safety and health of Canadian women?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the approach that is being taken by the hon. member is irresponsible. What he does is to frighten women and he does so in a way that is totally irresponsible because he has not taken the effort to get the information before making these allegations.

The House will recall that a minute ago I simply offered to the hon. member to give him a full briefing in this matter. He did not indicate his willingness to take up the briefing. I would indicate to him as well that the University of Florida study to which he refers has been largely discredited. He would have known that if he had bothered to check his facts first.

I would like to repeat that invitation to him. I will make the invitation as well to our colleague from Winnipeg North who, unlike the hon. gentleman, has been responsible in seeking information first before making false allegations.

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ACID RAIN

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, my question is for the Minister of the Environment. In light of the legislation passed last night in the United States Senate by a majority of 89 to 11, I am sure the minister is gratified and I would hope that his ministry will now be pursuing in every way with his provincial counterparts to ensure that we are doing

everything within our power to control acid rain as soon as possible.

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, the hon. member is right and we all know his interest on this great issue for Canada.

As a matter of fact, this vote moves us much closer to the opening of formal negotiations with the Americans. During last year, on many occasions, U.S. and Canadian officials have met to set up the framework and the essential elements of what the agreement could contain.

We think that those formal negotiations should begin very soon. We hope that it will be possible to conclude an agreement by the fall.

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HEALTH

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is also for the Minister of Health. I am a woman and I am very concerned about the Meme breast implant.

Why is the Minister of Health placing at risk all women in this country? The American manufacturer of this product has stated that household polyfoam is not designed for implantation within the human body.

Why is the minister not removing this product from the market? Why is he placing the women of this country at great risk?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, the hon. member says that I am threatening the health of all the women in this country. That sort of an exaggeration does no credit to the hon. member.

Mr. Dionne: Why don't you turn your collar around?

Mr. Beatty: If the hon. member will pay attention—

Mr. Turner (Vancouver Quadra): Get back on your tricycle.

Mr. Beatty: —the goal of all hon. members in the House, irrespective of which side of the House they sit on, should be to ensure the safety of all Canadians and not falsely create fear among Canadians. As a consequence, I would invite the hon. member to have a full briefing with regard to this, to receive the information first before making false allegations of this nature.

For example, if the hon. member is referring to the University of Florida study, which was referred to by another hon. member earlier, any plastic subjected to very high temperatures, which do not exist in the human body, will break down into carcinogens. The University of Florida study has been discredited.

If hon. members on any side of the House would like to have the facts, I again repeat the offer to make the facts available to them. I would invite them, before making false allegations which unnecessarily frighten people, to get the facts.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, these are not my points of view. The points of view I am stating today come from research scientists in the minister's own health department, top scientists who have resigned because of this issue.

If I may be so bold, I wonder if this was something that was going to be implanted into the male body, would he be as concerned today?

This product is not being implanted in any Ottawa-Carleton hospital today. It is recognized in the Ottawa-Carleton region as a danger to women. Why, Mr. Minister, can you not remove this product from the market until it has been safely tested?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, what the hon. member indicates is that nothing will convince her that the implant is safe.

She suggested that somehow there is a matter of discrimination here, that if men were involved this product would be off the market, but because it involves women it is on the market. That sort of an allegation brings no credit to the hon. member at all.

The hon. member will know that Dr. Keon from Ottawa is studying the uses of polyurethane, not simply as it relates to breast implants but the degradation of all polyurethane used in implants. Polyurethane is used in a whole range of medical devices, used in both men and women. The health and safety of every Canadian, male or female, is essential to us.

The hon. member says that members of my department have resigned. I would welcome the names of those members of my department. I am aware of one case where there has been a resignation of an individual.

I can tell the hon. member that the advice received by the Medical Devices Branch within my department is that the Meme breast implant is believed to be at least as safe as any other implant. Statistics show that the failure rate among the Meme breast implants is considerably lower than among every other silicone breast implant.

If we were to follow the hon. member's suggestion, we would be saying that we would withdraw a device with a lower failure rate than the other ones, and would require women in the interim to have implants which have a higher failure rate. She would be the first one to complain if we were to do that.

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UNEMPLOYMENT INSURANCE

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, my question is for the Minister of Employment and Immigration. When she commissioned the Canadian Labour Market Productivity Centre Task Forces on Labour Force Development Strategy some months ago, she said she would heed the recommendations of those task forces.

When the task forces submitted their report a couple of days ago, they emphasized in no less than four separate recommendations that the unemployment insurance account be used exclusively for income maintenance and income supplement.

In light of that, will the minister now reconsider her own recommendation that $800 million be used from the unemployment insurance account for training purposes, and will she accept instead her own committee's recommendation?

• (1450)

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, there are a number of recommendations in the report that was received this week. I think that it is going to be very helpful to us in setting up our training strategy which we plan to implement as soon as we get Bill C-21.

As I explained to some of the people who represented the Labour Management Productivity Centre, I am prepared to take into account all of their recommendations. Clearly this is a difficult one for us, given our present financial situation, as I do not have other resources at the moment for the kinds of training and the other recommendations that they are making.

I do want to thank them for the very hard work that they have done, because I believe it is going to be very helpful to us as soon as we get Bill C-21.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, those same task forces take into consideration the financial dilemma that the minister finds herself in and they propose two alternatives for funding for training. In fact, what they suggest for her consideration are tax credit incentives for employers who engage in training, or that a payroll tax on all employers with a rebate for those who engage in training be implemented.

Which of these two will the minister consider as an alternative to taking funds that her task force says should be used exclusively—and I stress exclusively—for income supplement and income maintenance?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, we will of course be looking at all of the recommendations and I will have a response to the report in due course.

I am very interested in the hon. member's question, because I would like to know what the position of the Liberal party is on this issue. It is very interesting, Mr. Speaker, that the member for LaSalle who is running for the leadership of this party said that he thought the Senate should drop their opposition to this bill. He said: "I think what they should do is drop their opposition to the unemployment bill".

Is that the hon. member's position, the Liberal party's position, the leader's position, the Senate's position? Who has a position in the Liberal party?

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CHEMICAL WEAPONS

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Acting Prime Minister, whoever that might be. It has to do with the heightened concern around the world about the spread and the use of chemical weapons as a result of the Iraqi threat against

Israel the other day and the well-known fact that these chemicals are being stockpiled in various places by various nations.

I want to ask the government whether it intends to show more leadership on this issue. Specifically, does it intend to use its seat on the Security Council of the United Nations to provoke new international momentum with respect to a total ban on chemical weapons and an international context in which nations which threaten not only to possess but to use these kinds of weapons are brought to heel?

Mr. Patrick Boyer (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the hon. member's question is extremely timely. The statement by President Hussein in relation to chemical weapons is one that the Government of Canada condemns as being of an extremely bellicose nature in an area that is already tense and it in no way advances the cause of peace.

I would like to raise two points in answer to the hon. member's specific question. First, Canada as a nation does not export to Iraq any equipment, material, chemicals or any substances that could be used in the development of chemical weapons.

Second, in relation to the question of the Security Council, this is a point that I will bring to the attention of the Secretary of State for External Affairs because I think the leadership role that Canada can play in this, as the hon. member suggests, is very timely and important and the Government of Canada would like to do that.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is for the Minister of the Environment. As the minister knows, the Department of National Defence developed and tested a number of chemical and biological weapons at Suffield, Alberta and other sites, including one in the province of Quebec.

Since some sites may still be contaminated with deadly agents such as anthrax, and since the Department of National Defence is known to cover up rather than clean up incidents such as this, will the Minister of the Environment undertake an immediate and complete search of all government records to determine and make public the location of such development and testing sites and test these sites for contamination, particularly the anthrax site in the province of Quebec?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for the Status of Women): Mr. Speaker, I wish to advise the hon. member that the Department of National Defence is hiring someone to go back over the records of the second world war to see if there is any further information or evidence which could confirm or deny whether field tests of anthrax, for example, took place at either Grosse Isle or at Suffield. We will certainly make whatever information that comes out of this review public.

As I am sure the member is aware, the Department of National Health and Welfare is undertaking investigations this summer in Grosse Isle to determine if there is any evidence of anthrax in that part of the country.

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TRADE

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I direct my question to the Acting Prime Minister.

Yesterday, while the Prime Minister was musing about the benefits of a proposed trade agreement for Mexico with the United States, Canadian workers continued to lose their jobs and Canadian industry continue to move south.

For example, we have the announcement today in the riding of the Minister of Supply and Services just outside of Ottawa, that Speedo Swimwear is moving to Kentucky with 70 jobs being lost; Bright's Wines is closing down a major winery in the Surrey area of British Columbia; the International Packers plant in Saskatoon will have 60 jobs lost because of harassment under the pork restrictions in the United States.

How can we be talking of being sucked into a North American trade agreement when in fact this government provides no adjustment, no support for the Canadian victims of the existing free trade agreement? How can we do that and find ourselves putting our workers in double jeopardy, not only with the Americans but now with the Mexicans?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if I can recall the hon. member's attention to what the Prime Minister said yesterday, he did not say we were entering into discussions with the Mexicans and

Americans on a North American free trade agreement. He talked positively about the need for freer trade, as is exemplified by our actions in the GATT negotiations now and the negotiations that led to the free trade agreement with the United States.

The hon. member talks about job loss. This is another instance of the hon. member for Etobicoke North saying that every time someone loses his job—every time a sparrow falls—we will blame it on free trade. What must be recalled is that in the first two months of the year, the bottom line is that there have been 64,000 jobs created. There were some 250,000 jobs created bottom line last year.

About four million jobs change hands during the course of a year, some through job loss, some through people moving from one job to another, but because of the significance of that dynamism in our economy, the important thing to look at is the bottom line, and the bottom line is very positive, 64,000 jobs in two months.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the bottom line contained in the minister's own documents tabled in this House at budget time is that there will be 100,000 jobs less this coming year than there were last year. Is that as a result of the free trade agreement? Is that what he is saying is a benefit?

The government commissioned its own study on the auto parts industry which points out that we are already facing intense competition from Mexico and the south-eastern United States. We are in danger of losing close to 80 per cent of our auto parts industry. The government is providing no support for the restructuring of that industry and now it finds itself being drawn into a North American trade agreement.

When is the government going to get a sound policy that will protect the interests of the workers in the auto parts industry and the workers throughout this country?

[*Translation*]

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, the views of the hon. member from Winnipeg–South–Centre on free trade are well known, and I suggest his reaction is no surprise. It has become a fixation and there is no way anybody can change that. However, I beleive people realize the automobile industry right now is going through a period of over–production and under–consumption, and is now in an adjustment period. Clearly, the automobile parts industry also is affected. However, we have now seen since the beginning of this year that a number of laid–off employees have been recalled. Again, I believe this is typical of that industry. Let them blame that on the United States or free trade if they will Mr. Speaker, and I am even amazed that today's rain is not being blamed on the United States.

* * *

• (1500)

[*English*]

PRIVILEGE

NOTICE OF TIME ALLOCATION ON BILL C–62

Mr. Rod Murphy (Churchill): Mr. Speaker, I gave you notice of a question of privilege which I believe affects myself and other members of this House. In introducing the question of privilege, I would like to quote form the ruling you made in the House on April 14, 1987, a ruling that you referred to again on March 26, 1990. You said:

> It is essential to our democratic system. The controversial issue should be debated at reasonable length so that every reasonable opportunity shall be available to hear the arguments pro and con and the reasonable delaying tactics should be permissible to enable opponents of a measure to enlist public support for their point of view. Sooner or later every issue must be decided and the decision will be taken by a majority. Rules of procedure protect both the minority and the majority. They are designed to allow the full expression of views on both sides of an issue. They provide the Opposition with a means to delay a decision. They also provide the majority with a means of limiting debate in order to arrive at a decision. This is the kind of balance essential to the procedure of a democratic assembly. Our rules were certainly never designed to permit the total frustration of one side or the other, the total stagnation of debate, or the total paralysis of the system.

Mr. Speaker, I remember the night you made that ruling. You made that ruling at a time when the opposition parties were fighting C–22, the drug legislation. At that time the opposition had totally paralyzed the government's ability to move forward on that legislation.

You, Mr. Speaker, in making that ruling, recognized that you were going beyond the mere written rules of the House, that you were looking at the purpose of debate, at the purpose of the rules. You recognized that you were looking beyond the actual wording. You made a

unique ruling on that occasion, a ruling which you yourself, on reflection, had said would come back to haunt the House. It meant that every time there was a legitimate grievance by one side or the other with regard to how the new rules and procedures are being used, you would be appealed to to make a decision.

Mr. Speaker: I have listened carefully to the hon. member, especially because he is referring to a specific order of the Chair. Other members have indicated their wish to rise on a point of order. I may be able to help the House.

I would like the hon. member to tell me exactly what his point of privilege is. What is it somebody has done that is making it impossible for him or others to carry on their duties?

Mr. Murphy: Mr. Speaker, I certainly intend to do that and will be doing so immediately.

Yesterday, when the government rose on notice of motion to limit report stage and third reading on the goods and services legislation, it severely limited the right of each and every member, whether on the government side or on the opposition side, from entering into any real debate on the issues that were before this House.

Mr. Speaker, if I could refer again to your ruling. Yesterday when you grouped the issues for debate you said, as reported at page 10125 of *Hansard*:

> I want to point out that this ruling does not limit debate in a significant way with respect to report stage. I have done some careful calculations and under this ruling there will be 11 debates and 26 votes plus the final vote at report stage for concurrence.

Mr. Speaker, you go on to say that this may be subject to some other rule of the House. The point is that in your ruling yesterday, you allowed us 11 different debates on the different types of amendments that come before this House.

I would submit that the actions that took place in the finance committee severely limited opposition parties to debate amendments at report stage. You are aware that at that particular finance committee, as a result of the ruling by the Chair, upheld by the majority—we do not doubt that—the opposition parties were limited to one minute per amendment.

Mr. Speaker: I am listening carefully and I recognize a grievance when I hear one. But, in respect of the committee, I have already dealt with that in a ruling. I gather what the hon. member is saying, on behalf of other members in the House and himself, is that the use of time allocation in the report stage of the bill is an abusive process amounting to a breach of the privilege of members. Now, if I am leaping ahead please correct me, but I take it that is the point the hon. member is making.

Mr. Murphy: Mr. Speaker, it is part of the point that I am trying to make in this House and I think it is a matter of not only what happened in the House yesterday, because even before debate had started, even though Orders of the Day had been called and you had made a ruling over the grouping of the amendments for debate, even before any motion had been moved by an opposition member, the government gave its notice to restrict debate on report stage and third reading. This in itself is abhorrent.

This in itself restricts me and other members in this House from having the ability to discuss the amendments that were proposed, and we know that under the ways that this House works, 10 of those 11 groupings will probably never even be started in debate in this House.

I mentioned the committee stage and the ruling of the chair of the finance committee, because this was also related to the study of this particular piece of legislation. It is my submission that the opposition was never given the opportunity at report stage or in committee to debate this important legislation. We were not given any opportunity whatsoever to have a meaningful debate on each and every one of the amendments that we wish to put forward.

My submission, Mr. Speaker, and it relates to the rules of the House, is that under the rules of the House we are to attend the House. We must assume that we attend the House for a purpose, and part of that purpose is to make motions and to have the ability to debate those motions. If we allow committee chairs to continue to limit debate, in a manner which is completely useless, if we are in a situation where, before debate even starts on report stage and third reading, the government is going to cut off debate, then what is the purpose of a member of Parliament attending the House? What is the purpose of a member of Parliament making motions? What is the purpose of having the opportunity to debate if the government is going to deny that opportunity time after

time, at each and every stage of the bill? That is significant to the privileges of each member of the House and it is significant to the privileges of all members of this House.

SPEAKER'S RULING

Mr. Speaker: I intend to respond very quickly and immediately to the point made by the hon. member, not because the hon. member does not put forward a grievance. He does, and he puts it forward with argument and with eloquence, but he is asking me to interfere on the basis that it is privilege.

I do not think that I can do that, at least not under the circumstances. The government, for whatever reason, has decided to follow orders of this place which are placed here as a consequence of the will of the House and to which we are all bound.

• (1510)

Second, as a consequence of the time allocation order, there has to be a vote of this House. That takes authority over other things. I take nothing away from what the hon. member has said. His grievance has been very well put forward, clearly, succinctly, and with some passion, but it is not a question of privilege.

* * *

[*Translation*]

POINT OF ORDER

BILL C-21

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to get back to the point raised by the Minister of State and Leader of the Government in the House of Commons yesterday concerning Bill C-21. I need some guidance, and I would like the Chair to reflect on the comments I am going to make.

The minister raised a point of order to argue his case against the message of the Senate regarding Bill C-21.

I had some difficulty with the debate yesterday, because to me it seemed highly irregular—

Mr. Speaker: One moment, please.

Point of Order

[*English*]

I think I indicated yesterday that, accepting the invitation of the hon. member for Kamloops, I was going to put off further argument on that matter until I could consult with all parties, and come back at a time convenient to everybody.

At least one member came to me earlier today and wanted to know if I was going to proceed this afternoon. I said I have no intention of proceeding this afternoon. There is no need, in case anybody feels that they are not yet in a position to argue, to proceed.

The hon. member for Ottawa—Vanier probably does have some points which will be of help to me. I would ask hon. members to concur and to accept the arrangement which we made yesterday. That is where it is going to be. I will come back to all hon. members involved as soon as it is appropriate.

Mr. Gauthier: Mr. Speaker, I do not want to waste the time of the House. I am just trying to understand the process here, because rules and order of this House is what the Chair is supposed to keep. I understand that. I want to make sure that I understand the same rules.

In view of citation 315 of the fifth edition of Beauchesne, I just want to ask why, yesterday, a point of order was allowed on a decision made by a majority of this House some 20 days ago to return a message to the Senate, which contained an acceptance of one amendment and others in principle.

Mr. Speaker: The hon. member alluded to that yesterday. It will be part of my eventual reply. It is part of the argument that takes place as to whether or not the point of order was, under all the circumstances, even in order. I will deal with all that.

Mr. Gauthier: Mr. Speaker, Beauchesne's fifth edition, Citation 315:

> (2) It is irregular to reflect upon, argue against, or in any manner call in question in debate past acts or proceedings of the House,

That is what the minister did yesterday. I ask you to rule on that.

Mr. Speaker: I am not entirely sure the hon. member is right.

There was more than one message from the Senate. I am not going to argue the case of hon. members at the moment. The matter has been put off. I will come back.

All of these arguments can be made, but, as I made very clear yesterday, I am accepting the suggestion of the hon. member for Kamloops on this matter.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another matter, before this House becomes a scene of another attack on democracy, I move:

That strangers be ordered to withdraw.

SPEAKER'S RULING

Mr. Speaker: The hon. member has moved a motion. First, I want to say to the hon. member that I think precedent and procedural law are such that it is not appropriate to move that motion unless the hon. member has the floor on debate, and I am so ruling. That does not mean that the hon. member may not move the motion at another time.

Mr. Gauthier: Mr. Speaker, before we proceed with anything else I would like the Chair to inform us which Standing Order says that we must be in debate. Standing Order 14 of this House states:

If any Member takes notice that strangers are present, the Speaker or the Chairman (as the case may be), shall forthwith put the question "That strangers be ordered to withdraw", without permitting any debate or amendment; provided that the Speaker or the Chairman may order the withdrawal of strangers.

That is it. I do not see any reason or need for us to be in debate on this question. I think it is a point of order that could be taken up at any time. I want to have quotations and the Standing Order that says we must be in debate to have that motion.

Mr. Riis: Mr. Speaker, obviously before I moved that motion to expel strangers it was well researched. I must say that on a number of occasions in this House, to say nothing of the Mother of Parliament in Britain, it has been used on a point of order. I would say that almost exclusively it has been used in the United Kingdom on a point of order.

As my hon. friend from Ottawa—Vanier has indicated, this is not open to discussion. Standing Order 14 reads:

If any Member takes notice that strangers are present, the Speaker or the Chairman (as the case may be), shall forthwith put the question "That strangers be ordered to withdraw", without permitting any debate or amendment; provided that the Speaker or the Chairman may order the withdrawal of strangers.

The critical word is "shall". It is not will, not may, but in fact shall. Mr. Speaker, if you will permit me, I can go on at some length both in terms of precedents in our House and particularly in the Mother of Parliament.

SITTING SUSPENDED

Mr. Speaker: The hon. member for Ottawa—Vanier is concerned that there may have been an error in the Speaker's ruling and the hon. member for Kamloops is indicating that he wants some clarification as well. Speakers are not infallible. I am going to stand the House down for a few minutes to respond to the concern that has been mentioned. Is that agreed?

Some hon. members: Agreed.

The sitting of the House was suspended at 3.18 p.m.

SITTING RESUMED

The House resumed at 3.45 p.m.

SPEAKER'S RULING

Mr. Speaker: First of all, I want to thank all members of the House for their courtesy, especially the hon. member for Ottawa—Vanier and the hon. member for Kamloops for allowing me a few minutes to respond to the question put by both hon. members.

The matter arises from a motion put on a point of order by the hon. member for Kamloops at the end of Question Period. That motion is in effect a motion which when the hon. member sees a stranger involves putting the matter to the House. The House would vote as to whether or not the House ought to be cleared. That is, all people in this Chamber whether they are guests or the public or whether they work for the House, other than members of Parliament, would have to clear the House. The House would then move to a secret session.

The ruling I made was that it is not appropriate to move that particular motion on a point of order. At that point both hon. members in a very courteous way asked if I could give them authority to do that.

I have considered the authorities and I would like to share them with hon. members. First, I am referring to Beauchesne's fifth edition, citation 234(2):

A Member cannot rise on a point of order to move a motion.

The second citation I wish to bring to the attention of the House is Beauchesne's sixth edition, citation 318(2):

A Member cannot rise on a point of order to move a motion—except for a motion that a Member be now heard.

• (1550)

I refer to the *Annotated Standing Orders*, page 459, footnote No. 1:

Although Members cannot move motions when recognized on a point of order (Beauchesne, 5th ed., p. 78), if the Chair has not recognized a Member to move a motion "That a Member be now heard"—

—and goes on to discuss that particular exception. I have tried to accommodate hon. members and give the reason for the order, and as I have said before, if there are practices here that hon. members do not agree with in terms of our rules and procedures then of course there is a time and place to decide to change them if possible. I think I have to say that the ruling I made must stand.

I want to point out something else. This ruling is on the narrow point as to whether or not the hon. member could move the motion on a point of order. That is all it is. There may be another discussion with respect to what it was the hon. member from Kamloops wanted to do.

I thank hon. members for their courtesy.

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

REFERENCE TO COMMITTEES

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Mr. Speaker, today I wish to table, in both official languages, the Order in Council announcing recent appointments made by the government.

Pursuant to Standing Order 110(1), this Order in Council shall be deemed to have been referred to the standing committees listed in appendix.

[*English*]

While I am on my feet, I move:

That the House do now proceed to the Orders of the Day.

[*Translation*]

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Yes.

Some hon. members: No.

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

Some hon. members: Yea.

Mr. Speaker: All those opposed to the motion will please say nay.

Some hon. members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Danis), which was agreed to on the following division:

(*Division No. 214*)

YEAS

Members

Anderson	Atkinson
Attewell	Beatty
Belsher	Bernier
Bertrand	Bird
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Charest	Clark (Brandon—Souris)
Clifford	Cole
Collins	Cooper
Corbeil	Corbett
Côté	Couture
Crosby (Halifax West)	Danis
Darling	DeBlois
de Cotret	Della Noce
Desjardins	Dobbie
Dorin	Duplessis
Edwards	Epp
Fee	Ferland
Fontaine	Fretz
Friesen	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hockin	Hogue
Holtmann	Horner
Horning	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Larrivée
Layton	Lewis
Littlechild	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Masse	McCreath
McDermid	McDougall (St. Paul's)
McLean	Merrithew
Mitges	Monteith
Moore	Nicholson

Time Allocation

Nowlan	Oberle
Plamondon	Plourde
Porter	Pronovost
Redway	Reid
Reimer	Ricard
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Siddon
Sobeski	Sparrow
Tardif	Tétreault
Thacker	Thompson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van de Walle	Venne
Vézina	Vien
Vincent	Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—122	

NAYS

Members

Allmand	Anawak
Angus	Arseneault
Assad	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Benjamin
Berger	Blondin
Boudria	Brewin
Caccia	Catterall
Clancy	Dionne
Duhamel	Edmonston
Ferguson	Flis
Foster	Fulton
Gaffney	Gagliano
Gardiner	Gauthier
Grey (Beaver River)	Harb
Harvard	Heap
Hopkins	Hovdebo
Hunter	Kaplan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kristiansen
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Laporte	Lee
MacAulay	MacDonald (Dartmouth)
Maheu	Marleau
McCurdy	Mifflin
Mills	Mitchell
Nault	Nystrom
Ouellet	Pagtakhan
Phinney	Proud
Rideout	Riis
Robichaud	Robinson
Rompkey	Simmons
Skelly (Comox—Alberni)	Speller
Stewart	Stupich
Taylor	Tobin
Volpe	Walker
Wappel	Wood
Young (Gloucester)	Young (Beaches—Woodbine)—76

[*English*]

The Acting Speaker (Mr. Paproski): I declare the motion carried. Orders of the day, the hon. Minister of State for Fitness and Amateur Sport.

GOVERNMENT ORDERS

• (1630)

[*Translation*]

EXCISE TAX ACT

TIME ALLOCATION—BILL C-62

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House) moved:

> That regarding Bill C-62, an Act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, one day be allotted to the consideration of the report stage and one day to the consideration of third reading stage of the bill; and that fifteen minutes before the end of each of these stages, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary to dispose, respectively, of the report stage and third reading shall be put forthwith and successively, without further debate or amendment.

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I did comment on this time allocation motion in our debate yesterday and I would like to repeat what I said at that time because there are a number of more members in the House.

We have been debating Bill C-62 for some while now. We have had a White Paper, a technical paper, draft legislation, consultations and committee hearings. But I think what we found very clearly demonstrated yesterday was when you, Sir, were asked to go through amendment after amendment which said exactly the same thing. It wasted 15 minutes of time of this House, 15 minutes of time which could have been used by a member for a speech on this bill. It became clear as I listened to you reading through these amendments and to the hon. members opposite saying "no" every time you said: "Shall I dispense?", that they had absolutely no intention of wanting to debate or discuss this legislation. What they wanted to do was waste the time of the House. This is exactly the same as what we have heard from the members opposite in the New Democratic Party who have made no secret of their motives here. Their motives are very clear, as has been stated by the House Leader and others in the New Democratic Party, that they will use every means within their control to delay, divert, and

obstruct this legislation. That, Mr. Speaker, is so clear, and that is why we had to bring in a motion for time allocation.

• (1640)

Mr. Tobin: Mr. Speaker, on a point of order. Perhaps you could remind members that it is unparliamentary to call into question the motives of members of parliament, as the Minister of Finance is now doing.

The Acting Speaker (Mr. Paproski): Debate, the hon. Minister of Finance.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I am not calling into question any member's motives; I am just stating very clearly the motive of the members of the New Democratic Party as stated by themselves. It is very clear. I am not imputing motives or questioning motives. It is fundamentally clear that what they want to do is divert this legislation.

Mr. Young (Gloucester): Of course we do.

Mr. Gauthier: Scrap the tax.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the members opposite say: "Scrap the tax. Axe the tax". We have every intention of axing the tax. The tax that we are going to axe is a federal sales tax, the manufacturers' sales tax, that has been in place since—

Some hon. members: Hear, hear!

Mr. Nault: There won't be a Tory left in Alberta.

The Acting Speaker (Mr. Paproski): The hon. member for Windsor—Lake St. Clair on a point of order.

Mr. McCurdy: Mr. Speaker, if the hon. minister wants to impugn or describe the motives of the New Democratic Party, I ask to defend the interests of the Canadian people, a vast majority of whom oppose this legislation.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, we have here an outburst by a member from Windsor who is saying that the New Democratic Party is protecting the interests of the Canadian people. Let me ask this hon. member why the New Democrats are in support of a tax which holds back Canadian exports. In Windsor there are many exporters. In southwestern Ontario—

An hon. member: That's not true.

Mr. Wilson (Etobicoke Centre): The hon. member says it is not true. Time and again, the members of the automotive industry, the chemical industry, the other elements of the manufacturing industry, the mining sector, the forest products sector, the basic industries, the strength of our economy, have all said that the existing tax is providing a hidden tax that is holding back their ability to export into other countries and create jobs and economic wealth here in Canada.

Mr. Young (Gloucester): That's not the way to go.

Mr. Wilson (Etobicoke Centre): On the other side, there are people in the economy, Canadian producers who are competing against imports—

Mr. Nault: It's good for tourists too!

Mr. Wilson (Etobicoke Centre): —and these companies have to pay one-third more tax than the imports against which they compete. Why is it that the hon. member from Windsor and the member for Broadview—Greenwood persist in supporting a tax that is holding back our economy? It makes no sense for them to do this.

Mr. Young (Gloucester): They want a fair tax.

The Acting Speaker (Mr. Paproski): The hon. Minister of Finance has the floor.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I want to also draw to the attention of members opposite that there was a royal commission in 1940; there was another study in 1956; there was the Carter Commission in 1966; there was a further report in 1973; and there was a fifth report in 1983. I believe each one of these reports was commissioned or appointed by the Liberal government of the day and each one of these reports has said: "Scrap the tax. Axe the tax. The tax must go".

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): Mr. Speaker, before I was interrupted I was saying that there were five royal commissions or committee reports that all said we should be scrapping the existing manufacturers' sales tax.

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): I was delighted to see the members opposite surge to their feet and say: "That is exactly what this government should be doing". I am

delighted that the members opposite now are coming to their senses, that they realize that the tax that must be axed is the federal sales tax, which for 65 years has been holding back this economy.

We are committed to bringing in this legislation. That is the essence of the direction that we are going in as a government.

The member for Gloucester yesterday talked about the consistency of the position of the Liberal party. This is a delightful thought to try to consider.

First, he said the existing tax has to go. Shortly after that he changed his tune, possibly because someone in his party got after him. The previous Liberal finance critic was yanked because he talked some sense. The members of the Liberal caucus said he could not stay on in that position. So I guess my friend from Gloucester felt that same heat and changed his position.

What has been perfectly consistent since that time is that there have been no alternatives. There have been no options. There have been no new ideas—

Mr. Mills: That is not right. You know that is not right. How can you say that with a straight face?

Mr. Wilson (Etobicoke Centre): Let me complete my thought. There have been no thoughts put forward, no options put forward that represent the position of the Liberal party.

My friend from Broadview—Greenwood has a little book that he has written about tax. We have the position of Mr. Chrétien, who is running for the leadership of the Liberal party, who said: "I would not scrap the GST if it comes in".

Then we have the position of Mr. Martin, the member for LaSalle—Émard who says: "I'll scrap this tax, if we do not have some negotiations going on over here with the provinces". Or he says: "I'll scrap the tax, if there is not an opportunity here to improve the existing tax".

The whole nature of what we are hearing from members of the Liberal party is that they are on a bandwagon. They are political hijackers. They are trying to hijack the political process, because they do not have any options.

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): They are trying to jump on the bandwagon. They are trying to get on the bandwagon of opposition, saying: "We are against this tax". That is what they are saying to the Canadian people. Then, when they get crowded a little as to what would happen if we had—God help us—a Liberal party in place, what do we hear from them?

Mr. Riis: Mr. Speaker, I rise on a point of order. We have listened to this drivel for 10 minutes, which I thought that was the maximum amount of time we would have to be exposed to such comments.

The Acting Speaker (Mr. Paproski): The hon. member started at 4.42 p.m. He is finishing at 4.52 p.m.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I have been interrupted by such thunderous applause from time to time that you have had to extend the time for my speech.

• (1650)

I want to close, if I could, by commenting on what the member for Gloucester said yesterday when he stated that this tax is not visible. I do not know how much more visible the member for Gloucester could want this tax.

Is there anybody in this country who does not know about the 7 per cent GST? Is there anybody in the country who is aware how much existing federal sales tax they pay in the price of a jacket, a coat, a car or in the price of a chocolate bar?

Mr. Riis: How about a haircut?

Mr. Wilson (Etobicoke Centre): No. The existing tax is totally invisible. The 7 per cent tax is a very visible tax.

I have said on many occasions that it is a very democratic tax. Governments in the future will be held far more accountable by the fact that the GST is a visible tax. Canadians understand this tax. They will know that if any government wants to change it in the future, they will be able to punish that government if there is not a good, appropriate reason for it. That is the reason why we on this side feel it is the right way to go.

It is not popular, and we understand that. We were not elected to do the popular things. We were elected to do the things that are right for this country, things that will improve the economy, improve the treatment of senior

citizens and low-income people. This is the direction that we feel as a country we should be going in.

Some hon. members: Hear, hear!

Mr. Douglas Young (Gloucester): Mr. Speaker, it is always interesting to watch the Minister of Finance wriggle around on his goods and services tax. As he was concluding his remarks, the Minister of Finance stated that surely the GST is visible and that everybody in Canada knows that there is going to be a 7 per cent GST because we have talked so much about it. If that were the test, I think that the minister would have to agree that the FST must be visible because he spoke incessantly about it over the last year and one half. If the GST is visible because he has talked about it, certainly the FST has now become visible as well.

The minister is right about the fact that you can punish governments, I understand that. The minister says that governments will be punished if they misuse the GST. The fact is the FST has gone from 9 per cent in 1984 to 13.5 per cent in 1990.

When you look at the 32 tax increases the government has put forward you see that this government has shown great courage with respect to taxation. It makes no difference if it is visible or invisible—it will tax anything that moves.

When you look at the web of deception that is being woven here, Mr. Speaker, and when you listen to the Minister of Finance who answered in the House today a question I put to him by saying that Albertans would be better off under the goods and services tax, imagine what the Minister of Finance and the government are saying to Albertans. While people across that province say no to the GST, and while the government of that province publishes reports indicating the kind of havoc that will be wreaked on Alberta if this tax is put through, the minister, the government and their supporters in the House get up and say: "The tax will be good for Albertans'.

The Minister of Finance talked about royal commissions, reports and studies. I defy the Minister of Finance to produce one report or one study that talked about implementing a goods and services tax, a value-added tax, a business transfer tax or any type of consumer-driven tax that is two-tiered. Never has that been suggested, not only by a royal commission or a study in Canada, but it has never been suggested by anybody in the world.

Ms. Campbell (Vancouver Centre): What about Liberal support for the multi-stage tax?

Mr. Young (Gloucester): Mr. Speaker, the Minister of Justice brings up a very good point. The support for the multi-stage tax that was put in place in the committee was for a single tax.

The Minister of Justice should be very careful when she talks about support for various public positions that she has taken. The Minister of Justice is not in a very good position to talk about positions she has supported before, and what she is doing now. I would be more careful of my own position if I were her.

When the Minister of Justice speaks to the women of Canada pretty soon on bills that she is bringing before the House, maybe she will have more to say about switching her position. The Minister of Justice is going to have a short-lived career on the front pages of women's magazines in this country if she keeps this up.

I want to make sure that the people of Canada understand what is taking place here today. We are talking on behalf of Canadians because parliamentarians are going through the same process as the government has imposed on Canadians. It is refusing to listen. If you are against the GST, it is because you do not understand it. But the government will not let you talk about it long enough to make sure that the 20 per cent of Canadians who are left, who do not oppose this tax, will in fact change their minds to make it 100 per cent of Canadians who reject this tax.

I defy any member to go out to Alberta or other parts of the country to see the fear and frustration that Canadians are experiencing over this tax.

One thing that the Conservatives have done as a government is impose time allocation. If this government had been in charge during the French Revolution, it would have made Robespierre look like Peter Rabbit. They pull the guillotine more often than anybody else has in the history of this country.

Some hon. members: Shame!

Mr. Young (Gloucester): Not only is the government forcing time allocation to make sure it gets rid of this bill as far as the House of Commons is concerned before Easter, if you are a Conservative and you oppose this bill you are expelled. You are exiled. You cannot as a Conservative be against this bill. They can only control

people to a certain extent. Mr. Kindy, Mr. Kilgour, people like that, are expelled.

But what about Don Getty? Is he going to be—

The Acting Speaker (Mr. Paproski): If the hon. member is to name some member of the House, I hope he will name him by his constituency.

Mr. Young (Gloucester): Thank you, Mr. Speaker.

Two Conservative members from Alberta were expelled from their party. Imagine a member representing people in Edmonton or a member representing people in Calgary being expelled.

What would be important to know from the Conservatives is whether Conservatives who oppose the tax are going to be thrown out of the party. I want to know what they are going to do with Don Getty and Dick Johnston. Is the member who was so proud of the expulsion of those two members going to say to Don Getty and Dick Johnston: "We don't want you any more"? No.

This tax goes against Conservative principles.

Mr. Lewis: What principles?

Mr. Young (Gloucester): I will explain the principles, since the Minister of Transport asks.

Let me explain the four principles that the Minister of Finance set out in his document last August. In the document written by the Department of Finance and issued under the name of the Minister of Finance, he said that the tax would be integrated, a unified tax. Is it? Of course not. No, it is not integrated because Conservative premiers across the country, like the premiers of Nova Scotia, Alberta and Saskatchewan, say: "No".

I do not know if the government has a national caucus to which premiers are invited or if someone is going to take the opportunity to boot them out as well, but Conservatives do not support the goods and services tax because this particular proposal which has been brought before the House is so flawed that they cannot sell it to their own members.

Mr. Speaker, if you want to see some fear—and you have seen some in a previous incarnation—you must be really concerned about what is happening to anybody who steps out of line. The sign that was put up today states: "Tories beware. Anybody who steps out of line has committed political suicide". That is what they are being told.

The two members from Alberta have been told: "You are to serve as an example. You are expendable". If the word goes out to members of Parliament that they cannot speak their minds without suffering expulsion from the caucus, then you, Mr. Speaker, must be seeing a lot of frustration to your right.

• (1700)

Mr. Lewis: Do you want them?

Mr. Young (Gloucester): The hon. Minister of Justice is getting involved before the baseball season begins by doing some bartering here. He might be looking for a trade.

I am sure that the two members in question from Alberta will have all kinds of opportunities to explain to the people of Alberta why they can no longer speak their minds inside the caucus.

The Minister of Finance in his brief speech today talked about tax reform. Six years of government planning has wound up in a sales tax that is opposed by 80 per cent of the Canadian people.

Can you imagine anybody could botching a job to that extent? Some 80 per cent of Canadians are opposed to the goods and services tax. The sad thing about all of this is that the government has now got so used to time allocation, to the guillotine, that it does it without compunction. There was a time when this kind of action would raise the ire of Canadians and every member of this House. Now, it is as simple as sitting down to breakfast. The government House leader sits down with the Prime Minister and a few other people and says: "I guess we will muzzle Parliament again today".

Canadians are going to hear a lot more about the GST. Canadians will continue to be against the GST. No matter how many times the government imposes time allocation, it is never going to convince Canadians that this terrible tax is an acceptable one.

Some hon. members: Hear, hear!

Mr. Lorne Nystrom (Yorkton—Melville): Mr. Speaker, I think what the Canadian people should be realizing today is that what we are seeing from the Conservative government across the way is some of the heaviest handed tactics we have seen in the history of this parliamentary democracy. What we are seeing are jack-

boot tactics by the Conservative party across the way to impose a tax that over 80 per cent of the Canadian people do not want.

Do you know what the government is allowing? It is allowing only one day on report stage—one day to debate the amendments to the goods and services tax. It is allowing one day to argue this tax that the Canadian people do not want. Then it is going to force it through with a guillotine, with closure.

Then the government is going to allow one day on third and final reading. One day is all we are going to get on the most controversial economic move in the history of this country.

This Conservative government makes C. D. Howe and the pipeline debate look generous in comparison. The Canadian people should be aware of that. This smacks of a fundamental lack of democracy, a fundamental lack of openness on behalf of the Conservative Party of Canada.

Over 80 per cent of the people are opposed to the goods and services tax, a tax on ordinary people across this country that is very unfair. The only way the government is getting it through is by using its majority and forcing it through against the will of Parliament, forcing it through against the will of the people of this country.

Why is it doing that? It is doing it for one simple reason. It is afraid of a revolt on the back-benches of the Conservative party. There is a revolt brewing in the back-benches of that party.

We know that it would take only 21 members of the Conservative party to switch and vote with the opposition and this tax would be killed. We now know that we have two members, the member for Calgary Northeast and the member for Edmonton Southeast who have said they are voting against this bill on third reading.

Do you know what has happened to them? They have been expelled from the Alberta caucus of the Conservative party. That is an outright shame. It is absolutely disgusting.

Mr. Skelly (Comox—Alberni): What about Willie? Somebody is sitting on Willie Littlechild right now.

Mr. Nystrom: Here are two members who have said they want to speak their mind. They had the courage of their convictions and they said they are going to vote against the GST. What happens to them? They get expelled from the Alberta caucus of the Conservative party. That is absolutely and utterly disgusting and despicable in 1990.

I do not know of any other precedent where a member is expelled from a political caucus in this parliamentary democracy because they happen to speak on behalf of their own constituents, on behalf of their own people.

We know those two members are not alone. In *The Toronto Star* today there is a report that the hon. member for Wetaskiwin has said that he will also vote against the GST at third and final reading.

Some hon. members: Hear, hear!

Mr. Nystrom: According to Linda Diebel of *The Toronto Star* the hon. member for Wetaskiwin will be voting against the government at third and final reading. If the hon. member does that, we will not have 21 to go. We only need 17 more Conservative members to stand up and vote on behalf of the people of this country to defeat the GST. Stand up for Canada. Speak on behalf of this country. Stand up for the people of Canada. Show the courage of the hon. member for Wetaskiwin who has said, according to *The Toronto Star*, that he will vote against the Prime Minister and Minister of Finance and vote for the people of his riding.

Those are three courageous members and I hope the Conservative Party does not throw out the hon. member for Wetaskiwin like they threw out the member from Calgary and the member from Edmonton.

In addition to those three courageous members, the hon. member for Wild Rose has said that she will abstain, that she cannot possibly vote for the GST. I encourage the Canadian people to phone her office and tell her to have the courage of Messrs. Kindy and Kilgour, to have the courage of the member for Wetaskiwin, stand and vote against the GST and represent the people of her riding as these members are representing their ridings.

Those two members have been expelled. *The Toronto Star* states that the hon. member for Wetaskiwin is now going to vote against the GST. That means if we have 18 more Tories, 18 more brave and courageous souls who

will stand and vote against this tax, the tax would be dead. It would be finished. We would axe the tax. We have one Tory tax too many. Let's hit that tax here and now.

If this Tory tax comes in, it will increase inflation in the country, it will increase interest rates—

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

Mr. Littlechild: Mr. Speaker, I want to make it clear to the House that as far as my vote on the goods and services tax is concerned, I have had an opportunity to discuss it with my constituents and I will be voting in favour of the GST.

Some hon. members: Hear, hear!

Some hon. members: Goodbye, Willie, goodbye, Willie!

The Acting Speaker (Mr. Paproski): Although that was not a point of order, I will still recognize the hon. member for Yorkton—Melville.

Mr. Nystrom: Mr. Speaker, if the television cameras in this place could have a little creativity, they would have noticed that before the hon. member for Wetaskiwin rose to speak, the heavy-handed Whip of the Conservative Party went over to his seat and he whispered in his ear. The member for Wetaskiwin then picked up his pencil and made some notes on a piece of paper when the Whip was whispering in his ear. After the Whip went away, so he was off the camera, the member for Wetaskiwin got up in his place and stated that he had consulted with his constituents and will vote for the GST. What hypocrisy! The people of the country should know that.

The member for Wetaskiwin had just said in *The Toronto Star*, and I quote Linda Diebel: "Tories David Kilgour, Alex Kindy and Willie Littlechild—"

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

Mr. Littlechild: On a point of privilege, Mr. Speaker. I think what is being said is what *The Toronto Star* may have written, not what I said. Also, with respect to the Whip, he did not slip me a paper nor did he say anything to me as he walked by.

Mr. Nystrom: Mr. Speaker, I did not say he slipped him a piece of paper. What happened, if the cameras were creative, the heavy-handed Whip of the Conservative Party went over there and he whispered in his ear. The member for Wetaskiwin took a pad of paper and started to write as the Whip spoke in his ear. Within about half a minute, the member for Wetaskiwin got up in the House and said: "Look, I am listening to my constituents. I have been converted on the road to Damascus. I am listening to my constituents and I am going to vote for the GST".

• (1710)

Is it any wonder why that member is running fourth in the riding of Wetaskiwin? Is it any wonder why the Conservative party is running fourth in the province of Alberta, because they will not listen to the people and are bringing in a tax that people in that province and this country do not want; from the Conservative premier right on down they do not want that tax.

It is inflationary. It is going to drive up interest rates in this country. It is going to drive up the deficit in this country. It is going to cause a loss of jobs in this country. It is going to drive out investment. We know that. We know there are alternatives. We know we could raise the money that we need in this country through the income tax system in ways which would not be inflationary, which would not drive up interest rates, which would not add to the national deficit, which would create jobs, which would stimulate investment.

The Conservative party across the way is breaking faith with the people of this country. It is a breach of the democratic process. It is jackboot tactics pure and simple. It makes C. D. Howe back in the 1950s look like a child in comparison.

How about those members across the way showing some courage and standing up to the Minister of Finance, standing up to the chairman of the finance committee, standing up to the Prime Minister of this country, having the courage of their convictions, representing the people.

There is a revolt in the back bench of that Conservative party and we saw an example today where the member for Wetaskiwin said in the *Toronto Star* that he would vote against it. The heavy-handed Whip moves in, within seconds he gets up and he has a conversion on the road to Damascus—

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. The hon. member for Edmonton Northwest. A point of order, the hon. member for Parkdale—High Park.

Mr. Flis: Mr. Speaker, without getting into the debate, I think *Hansard* should show exactly what had happened. I saw the hon. member stand for quite a long time but you were distracted, Mr. Speaker, and did not notice him. This was long before anyone had walked up to him. This is why I want to set the record straight in defence of the hon. member opposite. I am not taking part in any debate but as members of this House, it is our duty to come to the defence of any other member regardless of party.

The Acting Speaker (Mr. Paproski): The hon. member for Edmonton Northwest on debate.

Mr. Nystrom: On the same point of order, Mr. Speaker.

The Acting Speaker (Mr. Paproski): It really is not a point of order, it is debate, but I will recognize the hon. member for Yorkton—Melville on a very short point of order.

Mr. Nystrom: Mr. Speaker, I cannot let that pass. I was speaking when this happened. The member for Wetaskiwin was not on his feet before he was approached by the Deputy Whip—

Mr. Flis: Not true.

Mr. Nystrom: —before the Whip wandered over there. If the cameras were on it would have been plain for the world to see. There was pressure brought on the member on the floor of the House to change his mind and he decided he was going to vote for the GST. The people in this country should know it.

The Liberal party should not be complicit in passing the GST in this House.

The Acting Speaker (Mr. Paproski): The hon. government Whip on a point of order.

Mr. Hawkes: Mr. Speaker, my name has been brought into this debate by the member. You may notice I did not say hon. member, Mr. Speaker. You heard from the member who rose on—

The Acting Speaker (Mr. Paproski): Order, please. There is no such thing as "not an hon. member" in this House. Every member in this House is an hon. member.

Mr. Hawkes: I did not in any way, shape or form attempt to influence the statement that the member was about to make. He said it. I said it. It is the pattern in this Chamber to accept people's word.

That hon. member challenged me to a debate on the GST several weeks ago, the member from the NDP. I arranged five different sessions. He has bowed out of every single one of them. I have now accepted his arrangements in Calgary at a union hall, the Carpenters, for this Saturday night, but he has got trouble accepting me arranging a debate in his riding.

We want Canadians to know about this tax. He should come and debate me in his own riding. I am going to debate him in his hall in my riding.

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

Ms. Langan: Mr. Speaker, I rise on the same point of order and I will try to stick to it.

I sat back here, removed from the fray that has been going on here this afternoon, and watched the deputy Whip approach and discuss something with the hon. member for Wetaskiwin. As he left and in the very spot the House leader from my side of the House is standing at this moment, I said to him: "Did you get your message across?" He turned, looked, laughed and said: "Yes."

That was the deputy Whip from the government side of the House.

The Acting Speaker (Mr. Paproski): I think everybody has pretty well explained what has happened. The Chair is satisfied with what has happened. Therefore let's continue with debate.

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I think if ever there was a need to demonstrate why we have this motion before us now to set out the allocation of time on this bill, we have seen it. We have seen the kind of nonsense, frankly, that will come forward. We have seen the kind of tactics and unparliamentary procedure, abuse of Parliament. We have seen from the member who just spoke an attempt to talk about other members and suggest how they may or may not determine their own thinking, and whether or not they may be influenced by others when in fact I have observed him for the last several months, as a member of the finance committee, doing exactly the same kind of thing.

He comes to the committee, makes an arrangement with us, goes back to his caucus, and then comes back and says that he is sorry, but he cannot keep the deal he made yesterday because he has been instructed by his caucus to change his mind. That occurred yesterday at the committee. If I had the transcripts with me I would bring them, but I will do it at an appropriate time.

As a member of the finance committee I want to use this opportunity to explain the reason for this motion.

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

Mr. Langdon: Mr. Speaker, as a fellow member of the finance committee I think that when a serious charge such as that is made by a member of an important committee of this House, either the member should be prepared to substantiate such a serious charge or else should withdraw that charge immediately, and I ask the Speaker so to rule.

The Acting Speaker (Mr. Paproski): I do not really know what the charge is. Would the hon. member for Essex—Windsor please tell me what the charge is.

Mr. Langdon: The charge, which certainly I heard from the member for Edmonton Northwest was that a certain deal had been made by the member for Yorkton—Melville and that subsequently the member for Yorkton—Melville—

The Acting Speaker (Mr. Paproski): I need a transcript to see what happened in committee. What the hon. member talked about happened in committee and we are now in the House of Commons. Therefore the hon. member for Edmonton Northwest has the floor on debate. I cannot rule on what was done in committee.

Mr. Langdon: Mr. Speaker, I am not talking about what took place in committee. It was in fact the member across the way who was talking about what took place in committee. He made a charge in this House as to what took place in committee, a charge which accused my fellow committee member of the finance committee of breaking his word in committee.

That is an extremely serious charge. It cannot be permitted to stand, either without proof or without withdrawal. I simply appeal to this member to withdraw that charge as unworthy of him and unworthy of his party.

• (1720)

Mr. Dorin: Mr. Speaker, I will withdraw any charges that anyone might be offended by, which I am not particularly aware of—

The Acting Speaker (Mr. Paproski): Fine, the hon. member has withdrawn. On debate, the hon. member for Edmonton Northwest has the floor.

Mr. Dorin: I would like to try to establish why I talked about the committee procedure. For someone to suggest in this House, or anywhere in the country for that matter, that somehow this issue has not received sufficient debate in Parliament or outside Parliament strains the credibility of anyone who might suggest that. I can think of no other issue, perhaps with the exception of the free trade debate in the last Parliament, where there has been a greater degree of debate and discussion in and outside Parliament.

Popularity or lack thereof is one issue, but I believe that no one could suggest that there has been a lack of debate or discussion. I have been a member of the Standing Committee on Finance, which has had this issue on its agenda for at least four years. We have studied it, had extensive hearings, different studies, examinations, and even a foreign visit. There have been changes made along the way to improve it and to meet the concerns some of the people have presented to us.

There is no doubt, in terms of examining all the available information, that the case has been met by any common sense yardstick. Therefore the argument today that more debate in Parliament or in the country would somehow change the dynamics of this issue is unfounded and unwarranted.

In this regard the procedures of the committee on this bill are relevant. In advance of the second reading vote on the bill, given the expectation that the committee would be given responsibility for consideration of the bill, the finance committee agreed on a method of proceeding. That method was endorsed at a planning committee meeting on February 12, with consideration of the bill to continue and commence with meetings with officials from the Department of Finance.

Without complaint, notice, explanation or even courtesy, the official members of that committee from the New Democratic Party abrogated their responsibility as committee members and sent in their stead two other

members whose sole purpose, frankly, was to obstruct the proceedings of that committee.

This went on for a considerable period of time until an eventual resolution was reached. Following that, in spite of continued offers and requests by the chairman and myself, that party which is now complaining about lack of opportunity for reasonable debate refused to accept the majority proposal, to present an alternative proposal or to suggest somehow how we might proceed to deal with the business of the committee in a timely manner.

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

Mr. Murphy: Mr. Speaker, I would ask that the member who is speaking tell the truth to the House. He knows that we did make counteroffers, and that was for the committee to travel across this country and hear witnesses from coast to coast to coast in each province and territory. That was offered to the government and it would not listen. We wanted the people to speak. We wanted the people to come to the committee. The hon. member should tell the truth.

The Acting Speaker (Mr. Paproski): What the hon. member is saying is debate. The hon. member for Edmonton Northwest has the floor.

Mr. Dorin: Mr. Speaker, I am relating to you and other members my viewpoint, my opinion, which frankly is the truth. Other members may have their own opinions and may dispute that, but that is up to them.

I think the whole issue casts a negative light on the question of whether or not members are independent members of committees who can make their own decisions or whether they must feel they are going to have—

An hon. member: You are voting independently from your caucus?

Mr. Dorin: Absolutely. I do not need any instructions. I have been involved with this issue for a long time and consistently supported it, going right back to the previous election. In case hon. members wish to know, my election brochures during the last campaign contained a commitment to sales tax reform and moving in this direction. This was included in the documentation that I distributed to every household in my riding. I made that perfectly clear, and I answered questions to that extent during the election campaign.

I find it very strange indeed opponents or opposition members suggest that it is independence when a committee tests the limits of its authority, which is somehow acting in defiance of the government or doing something which is not particularly popular with the minister. When a committee tests its authority in measures that happen to support the government, that is suggested to be autocracy.

It seems to me that opposition members cannot have it both ways. From time to time they have to rise in their places and take a position which may not necessarily always be popular within their own caucus.

Do we see them do that? No, we see them coming in here and participating in their publicly announced and acknowledged tactic to obstruct Parliament, to prevent Parliament from doing its business. The only way we can get on to have any kind of debate at all on this bill—because we know what happened at second reading stage, no debate was allowed because of the tactics of the NDP—is to proceed with this motion, vote this motion, pass it, and move on to time allocation.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, today the Minister of Finance went over the line as far as I was concerned. For many years I have said publicly that for me he is one of the most respected members of this House, so respected that many months ago when we heard that he was going to advance this goods and services tax a group of us got together and tried to come up with a constructive alternative. I must say to all members of this House it is a tough job to come up with a constructive alternative. I believe, as all of us do, that the only way we can advance debate is by coming up with alternatives.

For months a group of us worked together with tax experts from across the country. We even consulted Senators Bradley and Gephardt in the United States, Hall-Rabushka from the Hoover Institute at Stanford, Lyman MacInnis, past president of the Ontario Institute of Chartered Accountants, and Thomas Hodgson, President of Central Guaranty Trust in Toronto, the whiz kid of Bay Street. We got together with the researchers at the Library of Parliament and with Statistics Canada which develops modelling systems, some of those same

modelling systems that the Minister of Finance uses in his department.

We came up with a constructive alternative to the goods and services tax. We came up with an alternative that was fairer, simpler, efficient and workable. It was a system where we knew we had to obviate the need for a goods and services tax because of the amount of revenue it was going to bring in. We admitted that the manufacturers' sales tax, the federal sales tax, was not a good thing and in our program we phased it out over three years, not all at once. We knew we had to be revenue neutral. We came up with numbers that would allow us to meet all of those objectives.

We came up with a form, and we called it the single tax, and it is 25 per cent for individuals and 25 per cent for corporations. We gave very progressive, refundable tax credits to those people in our community who are disadvantaged. We admitted all the way through this that we were advancing debate.

• (1730)

We did not say that our ideas were conclusive. We sent our material to the Minister of Finance on several occasions, and asked him to refute it, to give it to his officials to criticize it and try to improve on it. Not once did I hear from his department, or from the minister. I have been listening for months to him saying there are absolutely no alternatives on this side of the House. Finally, when I got his ear today, he snuffed off 179 pages of hard work by men and women from academia, from business, and work done by chartered accountants. He said: "Oh, that is some little booklet, on a single tax that does not work".

Mr. Volpe: He is blind and deaf to reality.

Mr. Mills: Well, I think the Minister of Finance is really losing it. He refuses to acknowledge that 80 per cent of people in this country are concerned about the goods and services tax. It is a tremendous disincentive to small business. It is causing fear for senior citizens.

Instead of listening and asking his departmental officials to do an analysis of that and point out the weaknesses, he continues to say there are absolutely no alternatives. I think the Minister of Finance is doing a tremendous disservice to his office.

It is only one alternative. I have said in this House before that this is not the Liberal Party position. We, in this party, right now, are going through a leadership debate. So we have three, four or five alternatives. But that is not the point.

Mr. Karpoff: Your leader is going to decide for you.

Mr. Mills: In fairness, we are a team. But that is no excuse for the Minister of Finance to ignore the idea. Whether this idea came from a member of the New Democratic Party or whether this idea came from a Conservative member, or whether it came from industry, it does not matter. It is the responsibility of the Minister of Finance to look at a constructive alternative to a tax that is just crippling the spirit of this country.

We have said in this House before and many Liberal members have said that the current tax system is not just the product of members opposite, it is the product of many governments over many years. The point is that right now it is 15,000 pages of rules and exceptions to exceptions. Even the best accountants and tax lawyers in this country will readily admit today that they no longer understand it. It is out of control. Canadians are being so frustrated by the current Income Tax Act that it is time for this government to take the lead and clean it up.

The government always talks about productivity. We lack productivity because, generally speaking, Canadians do not feel there is fairness in the tax system. A man who is working on a shop floor making $20 an hour might pay $8 a week in tax on that hourly wage and at the end of the year he might pay another $1,500 or $2,000. His neighbour next door might be an architect or a tax lawyer who is making $150,000 a year and he will not be paying any tax. We know that is not right.

The tax system, with all its legal tax preferences, is so imbalanced right now, that the person who is working his heart and guts out on the shop floor says: "Why should I work so hard when my neighbour who is making three times as much does not pay anything?". That system does not work.

If we are going to have fairness and productivity and if we are going to get a nation that can be a world-class competitor again, we must start with the tax system. A goods and service tax that adds another 45 or 50 pages to the 45 or 50 pages that every individual in Canada receives right now, is not the way to go.

One of the members said today that he phoned his constituents and indicated that he had enough constituents who were supportive of the goods and services tax.

• (1735)

I can tell you that in my riding it is the exact opposite. It is not that the people do not want to pay tax. People just want something that is fair, simple and efficient. The current system does not provide that.

This is one idea. Professor Brooks has another idea. I think it is the responsibility of this government to do a full analysis of this. We are already at the third draft in our proposal. It is the government's responsibility to respond.

The disincentive factor that is caused by this goods and services tax is going to force a further underground economy. Right now they guestimate that there is $40 billion to $50 billion in an underground economy in this country. If we had a system that was more fair we could probably recapture some of that underground economy. There might be enough to develop a national day care program.

But this government is so obsessed with cutting and retreating from programs that it is forgetting that there is a creative process. Instead of trying to develop ways to make the pie larger and renewing the spirit of productivity, it is cutting. This government has been retreating from national responsibility for the last six years. If it keeps going like this, it will be history within the next two years.

Mr. Pat Sobeski (Cambridge): Mr. Speaker, I have been travelling with the finance committee on the GST debate. It has been almost three years since the finance minister informed Canadians through the tax reform White Paper how he planned to replace the 65 year-old manufacturers' sales tax.

The bill has already met with the expected enthusiastic response from the opposition parties in the House of Commons. But the many benefits for the whole economy of a broadly based goods and services tax far outweighs the criticism to date of this government proposal.

There is a major problem with the manufacturers' sales tax. The MST is applied to business inputs. That is the materials, parts and supplies used in the manufacturing process. This makes it tougher for Canadian exporters to sell their products in foreign markets and compete with producers who pay no tax on their business inputs. In other words, being uncompetitive costs Canada jobs.

Surely it is time for us to take an honest look at the manufacturers' sales tax, that 13.5 per cent bite on most things made in Canada that has been conveniently hidden for too long. Suppose this tax did not exist and suppose your provincial premier, myself being from Ontario, Premier Peterson, decided to impose a similar provincial tax on manufacturers, there would be a great public outcry. There would be a charge that Ontario jobs would be lost and that business could not stand the competition from other tax-free provinces.

Or, suppose that the city of Cambridge or the city of Kitchener decided to impose its own manufacturers' sales tax on industry within those city limits? The move would be denounced as driving businesses to other communities such as Guelph, Brantford and Woodstock.

What are some of the concerns with the manufacturers' sales tax? First, it applies to a very narrow base. There are five commodities; tobacco, alcohol, automobiles, automobile parts and motor fuels. They represent about 16 per cent of government spending and yet they generate about one-third of the revenue from the manufacturers' sales tax. People who come here always ask why gas is so much cheaper south of the border. Why is tobacco so much cheaper? Why is alcohol so much cheaper? It is those five products that pay a heavy burden with the manufacturers' sales tax.

Another thing that Canadians have heard is that over the past 60 years there has been fiddling with the tax to satisfy one special interest group over another. As a result, there has been some 22,000 special provisions; including things such as athletic headbands. An athletic headband is considered clothing. Therefore, it is exempt from the manufacturers' sales tax. But if you buy an athletic wristband, it is considered sporting equipment and therefore is taxed.

• (1740)

A facial tissue is considered a cosmetic product and the MST is included in the price. The makers of facial tissues will argue that it is a health care product and, as such, should be exempt from the MST. If the makers are successful in winning that argument then they do not

have to pay the tax. The tax they do not pay eventually is picked up by consumers somewhere else.

Another concern about the existing manufacturers' sales tax, the tax we want to get rid of, is the impact it has on domestically produced commodities. For example, I was talking about cosmetics. There are various rates. The reason for various rates depends on how a company handles its marketing and distribution function. On some cosmetics on the shelf the effective federal tax is as low as 5.8 per cent. On other products it is as high as 19.2 per cent.

Here we have similar products made by different companies in the same industry and yet we have a wide range of tax. I could not take you into a store and point out which product has the 6 per cent MST and which one has a 19 per cent effective rate. That is the type of situation with which we are dealing.

Small appliances have rates as low as 5.5 per cent and some as high as 13.9 per cent. Here we have within Canada again, companies competing against themselves but charged different rates of tax. They are trying, through the courts, to lessen their tax burden. They do so by setting up new corporate structures so they can change market distribution and reduce tax.

Another major concern is the impact on imported goods and exports. For example, office machines and equipment. For a domestic producer the MST rate is as low as 12 per cent to as high as 13 per cent. The important fact is that for a foreign company, the effective rate to that company on MST when it imports office machines and equipment is 7.5 per cent. Right away the Canadian domestic producer of office machines and equipment is at a 5 per cent disadvantage. He is at a 5 per cent disadvantage because of a tax his own country is charging. Canada is the only country that has a manufacturers' sales tax of this type, and when we consider that 40 per cent of our income comes from exports it is ludicrous that we maintain this tax.

I can think of one benefit of the manufacturers' sales tax, which has really been for politicians only. That is the fact that it is virtually invisible to consumers. Some people say "what you don't know won't hurt you".

Many people did not know that they were already paying a federal sales tax. A one-income family with two children and an income of $35,000 today is paying a manufacturers' sales tax on the average consumer basket of about $1,500. After the introduction of the GST they will pay about the same amount. For this particular family there is no change.

We have gone from a tax you can see to a tax you cannot see. I think the people of this country have reacted because they are suddenly seeing something which has been there for many years. Almost since its introduction, the MST has been a problem to manufacturers. We have heard of the many royal commissions that addressed its fundamental flaws in 1940, 1966 and 1983. Each study has recommended major change.

Canada is the only industrialized country with a manufacturers' sales tax of this kind. In 1990, the manufacturers' sales tax fails every test of good tax policy. At the age of 65 it is time to retire the manufacturers' sales tax.

No one should suggest that the GST is 100 per cent perfect. But when you compare it to the existing manufacturers' sales tax, the GST is a clear winner, a gold medal winner.

Mrs. Maheu: Tell that to your voters.

Mr. Sobeski: I will tell it to the voters.

• (1745)

According to the C.D. Howe Institute, the adoption of the GST would be the single most significant, recent advance in Canadian tax policy. The study states that the GST, by broadening the base of the tax to include currently untaxed goods and services, by changing the method of collection, will improve the efficiency of the Canadian economy.

So we have the C.D. Howe Institute, the Economic Council of Canada, the Conference Board of Canada who all support the improvement and the competitive position of Canadian manufacturing which they acknowledge will benefit the whole economy. They do not have any problem with the recommendation in Finance that it will create 60,000 new jobs every year.

The GST is a solution to a problem that most Canadians are unaware they have. There will not be any more royal commissions, any more study. This government has taken the daring and necessary step to reform the sales

tax system. Canadians may not like being told they have a deficit. They do not like being told they have a deficit problem. They may not like having to pay taxes, but Canadians are realistic. They realize there are no freebies. There are no painless solutions to this serious problem.

Mr. Gauthier: You and Wilson ought to get together.

Mr. Sobeski: We are clearly together, and I have been supporting this right from the beginning. We would like to improve it.

Naturally, we would like to have had a national sales tax that would have incorporated the federal and provincial sales tax systems, but this was not possible, given the political dynamics of the day. The issue is not those failed negotiations. The issue is the pressing need to proceed with reforming the tax system which is hurting Canadian business, and we are doing it in such a way that it leaves open the possibility of a truly national sales tax at a later date.

In conclusion, I would like to quote Terence Corcoran of *The Globe and Mail*. He said on December 8: "Think of the GST as a home renovation. It will make a bit of a mess while the work is being done, but the final result will be something you can be proud of".

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, after having heard three members from the government side, I think it is inevitable that I, and my party, should share the same contempt for this government that the Canadian people feel as a result of the utter contempt this government has directed toward the Canadian people.

I listened to the member for Edmonton Northwest bleating about the efforts of the New Democratic Party representative on the finance committee. Whatever may be said about the efforts of my colleagues on that committee, they had one single purpose, and that was to ensure that all of the Canadian people were heard on this tax. We can understand why we heard the parliamentary secretary say: "We did not want to hear any more because they are all going to say the same thing." Eighty per cent of the Canadian people are going to say the same thing, that this tax is an unacceptable tax. It is a tax that must be opposed, and will be opposed.

We have heard my colleague talk of certain members on the government side who did not adhere to caucus discipline. I think it is important to know the fundamental elements that constitute the basis for that caucus discipline. I think it was best expressed by the hon. member for Simcoe Centre. She expressed it in ordinary language that everybody could understand: "If I listen to my constituents, I would not have time to give leadership."

We just heard the hon. member down the way say: "We are through with hearings. We are through with royal commissions. We are through with all that stuff. We made a decision." It is a decision which I said before is utterly contemptuous of the Canadian people.

• (1750)

Because the Canadian people have been denied the right to be heard adequately, the Ontario caucus of the New Democratic Party has for the last several days been holding hearings so at least Ontarians could be heard.

I think it is important, even before addressing the tax, to give you an impression of how Canadians are feeling. They feel that what is happening to their country as a result of the consistent actions of this government, tears at the very fabric of Canadian civilization, our humanitarian instincts and our sense of community. There is the sense that somehow our country is being robbed of so much that gave us pride and confidence, that in spite of everything, we could influence our fate and the destiny of this country.

But with the changes as a result of the free trade agreement, the cuts in UIC, privatization, deregulation, and other actions which have been opposed by the people but implemented by the government, it has created a terrible sense of powerlessness, frustration, anger and alienation. If the government wants to know why there seems to be so much division in this country then it should look for the answer in what it has done.

By creating a level playing field with the United States it has done what we predicted would happen. The Conservatives have made this country more like the United States. There are too many people out there who, frustrated with the government, are looking around for scapegoats. That is why we find so many of us looking for others to blame and exhibiting all kinds of character-

istics that are alien to our culture before this government came to power.

It is interesting that the Minister of Finance and the other member who talked about this bill to introduce the goods and services tax, did not at all attempt to defend the goods and services tax itself. They said only that the manufacturers' sales tax should be eliminated, that it cost jobs and that it should be eliminated in the interest of the growth of the Canadian economy.

We have never questioned that. The manufacturers' sales tax should be eliminated. But should it be replaced with a goods and services tax?

Some hon. members: No.

Mr. McCurdy: Let us for a moment, Mr. Speaker, consider what the manufacturers' sales tax entailed. The manufacturers' sales tax led to $18.5 billion in revenue, whereas the goods and services tax will raise $21.5 billion in revenue. What is very interesting, if you look at the actual net gain in revenue, apart from the cost of administering the tax and rebates associated with the tax, all we would need to do is raise $14.5 billion. We can raise that $14.5 billion without having a goods and services tax, or the 4,000 people needed to collect that tax, simply by making small changes in a variety of taxes with no change in the establishment of the Department of National Revenue.

Let me list the changes. You can search for the details in the publication of Neil Brooks which was cited earlier.

• (1755)

Let us suppose we eliminate the MST and the GST but maintain the excise taxes on cigarettes and liquor. That is good for $2.3 billion. Eliminate the entertainment deductions for rich business people and the corporations; $1 billion. Tighten capital gains; $.5 billion. Eliminate all necessary tax breaks for corporations; $2 billion. Impose a minimum tax on corporations, the same as the Americans do; $2 million. Tax wealth either in the form of an inheritance or an annual tax on net wealth; $2.5 billion. Stop tax cheating as we used to before this government came to power; $3 billion. Restore the income tax to five rather than three marginal rates and raise the top marginal rate to 40 per cent. It is awfully interesting what the result of that is. Even the Minister of Finance admits that inflation will increase by 1.25 per cent or more probably 3 per cent as a result of the GST.

The alternative would not only allow a fairer tax system and eliminate the problems of the MST, in fact it would cut inflation by 2.3 per cent. This, in turn, would mean that interest rates could be cut. If interest rates were cut investment would increase. If investment increased, jobs would be produced.

Yes, there is an alternative that is in the interests of the vast majority of Canadians. The Tories are not interested in the Canadian people, they show utter contempt and the people will show their utter contempt for a government that cares not for them or the country.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, it seems that we have near unanimity, at least on this side of the House and among those on the other side who refuse to be muzzled by their Whip that there is, on the part of the government, total and utter contempt for the wishes and needs of Canadians, total and utter contempt for the activities in this House.

A few moments ago we heard the Minister of Finance sneer contemptuously at the fact that we in the Liberal party did not have an alternative, and his associate minister held for his consideration a proposal by one of our colleagues, the member for Broadview—Greenwood, the single tax. What did they do? They say there are no alternatives. The Conservatives refuse to listen. They refuse to hear what Canadians have to say. They refuse to hear what Parliament has to say.

My colleagues from Alberta will know and appreciate these statistics. Since Standing Order 57, which refers to the closure motion, was adopted in 1913, it has been applied in this House 21 times to cut off debate from 1913 to December of 1988. In this Parliament, since 1988 that closure motion has been invoked 13 times.

Today we saw this motion applied in order to muzzle the backbenchers of the Conservative Party itself. How can Canadians get across their vehement dislike for this goods and services tax when the governing party has to put a muzzle on its own members?

I know all members on this side of the House think it is a shame that Canadians cannot debate the biggest tax fraud ever perpetrated against Canadians since Confederation. Mr. Speaker, I know you are going to give me 10 minutes to address this issue. We have seen the first application of a 7 per cent tax. I am only going to be able

to speak for 1.4 per cent of that time. I see members opposite smile.

The Acting Speaker (Mr. Paproski): The hon. member will have eight minutes remaining in his speech.

It being six o'clock, this House stands adjourned until until tomorrow at eleven o'clock, pursuant to Standing Order 24(1).

The House adjourned at 6 p.m.

HOUSE OF COMMONS

Thursday, April 5, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Mr. Speaker, I am pleased to table today, in both official languages, an Order in Council announcing an appointment made recently by the government.

Pursuant to Standing Order 110(1), this Order in Council is deemed to have been referred to the Standing Committee named in the appendix.

While I am on my feet, I take this opportunity to move:

That the House do now proceed to the Orders of the Day.

Mr. Speaker: Is it the pleasure of the House to adopt this motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Call in the Members.

The House divided on the motion (Mr. Danis), which was agreed to on the following division:

(*Division No. 215*)

YEAS

Members

Anderson	Attewell
Belsher	Bernier
Bertrand	Blackburn (Jonquière)
Blenkarn	Bosley
Bourgault	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Chadwick	Champagne (Champlain)
Clark (Brandon—Souris)	Cole
Collins	Cook
Cooper	Corbeil
Corbett	Côté
Couture	Crosby (Halifax West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dorin	Duplessis
Fee	Ferland
Fontaine	Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Halliday	Harvey (Chicoutimi)
Hawkes	Hogue
Holtmann	Horner
Horning	Jacques
James	Jelinek
Joncas	Kempling
Koury	Landry
Langlois	Larrivée
Layton	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
McCreath	McDermid
McDougall (St. Paul's)	McLean
Merrithew	Mitges
Monteith	Moore
Nicholson	Nowlan
Oberle	Plourde
Porter	Redway
Reid	Reimer
Ricard	Roy-Arcelin
Schneider	Scott (Victoria—Haliburton)
Shields	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Venne	Vien
Vincent	Weiner
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—108	

NAYS

Members

Allmand	Angus
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Benjamin

Time Allocation

Blaikie	Boudria
Butland	Caccia
Callbeck	Campbell (South West Nova)
Catterall	Clancy
Ferguson	Flis
Foster	Fulton
Gagliano	Gardiner
Gauthier	Grey (Beaver River)
Harvard	Heap
Hopkins	Hunter
Kaplan	Karpoff
Kristiansen	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Lapierre
Laporte	LeBlanc (Cape Breton Highlands—Canso)
MacAulay	MacDonald (Dartmouth)
MacLellan	Maheu
Manley	Milliken
Mills	Mitchell
Murphy	Nault
Nystrom	Pagtakhan
Peterson	Pickard
Riis	Robichaud
Samson	Skelly (Comox—Alberni)
Speller	Stewart
Stupich	Taylor
Volpe	Walker
Wappel	Wood
Young (Beaches—Woodbine)—63	

• (1150)

[*English*]

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Mrs. Gaffney: My apologies, Mr. Speaker, had I been in my seat when the vote was counted, I would have voted with my party.

Ms. Mitchell: Mr. Speaker, I had planned, following completion of Routine Proceedings earlier today, to make an application under Standing Order 52 requesting an emergency debate on the urgent crisis facing women's centres. My point of order is that since this is no longer possible as the government moved earlier to deny proceedings, I seek unanimous consent of the House to make this application now.

Some Hon. Members: Hear, hear!

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

Some Hon. Members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

FUNDING TO WOMEN'S CENTRES

Ms. Margaret Mitchell (Vancouver East): I thank my colleagues for giving unanimous consent.

Mr. Speaker, I wish to move that this House do now adjourn under the provisions of Standing Order 52 to discuss a matter requiring immediate and urgent consideration concerning funding to women's centres across Canada.

This funding was terminated on March 30, leaving these places of information, referral and support for abused women, homeless women, jobless women, and women in difficulty on the brink of closing. The centres have not yet closed but most will do so almost immediately if federal funding is not continued.

This is a very urgent matter and a grave crisis facing women of Canada from coast to coast to coast and I ask for an emergency debate on this matter.

Some Hon. Members: Hear, hear!

SPEAKER'S RULING

The Acting Speaker (Mr. Paproski): I am afraid that this does not meet the requirements of the Standing Orders and at this time I am afraid I cannot allow the debate.

The hon. member for Crowfoot.

* * *

POINT OF ORDER

DRESS CODE IN CHAMBER

Mr. Arnold Malone (Crowfoot): Mr. Speaker, during the vote just taken I noted that the hon. member for Davenport was not wearing a tie. That is a requirement under the rules of the House. It is not a point that I would not normally raise except that it was a matter to which recently some attention was brought in this House.

The Acting Speaker (Mr. Paproski): I have allowed the hon. member to be recognized on the vote but I would not recognize him on debate, or any points of order, or questions in this House until he changes to proper attire.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

TIME ALLOCATION—BILL C-62

The House resumed from Wednesday, April 4, consideration of the motion of Mr. Andre:

That, in relation to Bill C-62, an Act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, not more than one further sitting day shall be allotted to

the consideration of the report stage, and one sitting day to the consideration of third reading stage of the said bill; and

That, fifteen minutes before the expiry of the time provided for Government Business on the final day for consideration of each such stage, both days, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose respectively of the report stage and third reading of the said bill shall be put forthwith and successively, without further debate or amendment.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, it is my pleasure to rise again and continue the debate we began last night on this issue. Last night the debate was becoming more than acrimonious. We saw the Minister of Finance negotiate with a gun called "closure" on the table. It earned the absolute ire and anger of all members. You quite rightly put everybody in place by reminding us that he is, after all, an honourable member. And as an hon. member he is being very appropriate in disseminating the truths—and there are many that come from his department and office—regarding the GST proposal.

He forgot to tell us that the start-up cost for the GST proposal is going to be in excess of $1.1 billion, according to the Minister of National Revenue. He forgot to tell us that the operating costs for the implementation of this GST are going to be in excess of $380 million annually. He forgot to tell us again that there are going to be an additional 3,900 other tax collectors required to implement this tax. He forgot as well to advise all members that the operating and administrative costs are going to be horrendous as the provinces and his own department are confused about how all of this will take place.

Mr. Speaker, you reminded us that the minister was an honourable man, so we continued to listen as he berated this side of the House for not coming up with alternatives. The minister said that his view was the only view because no one had presented an alternative. Again, he forgot to tell us that he and his party were elected to present policy proposals for our consideration. He did not give us an indication as to what proposals his department had rejected in place of the GST.

He forgot to take notice in Toronto just a few days ago that a group of economists, academics and journalists who write on economic matters presented a series of alternatives to the GST objectives by focusing on government inefficient administration that, if corrected, would save in excess of $13 billion per annum.

When the minister says that he must redress the tax situation in Canada in order to address these kinds of inefficiencies, why does he reject these rather worthwhile proposals by these individuals?

That is a good question. But you insist that he is an honourable man and we cannot impugn his honour. He forgot to tell us that the Institute for Research on Public Policy made a new alternative proposal to the GST, basing a new tax reform on income tax and an increase that would still be 10 points lower than it was in 1981. I do not know why that could not be considered an alternative tax to the GST.

Again, all members were silenced because, after all, the Minister of Finance speaks as an honourable man. He rejected with scorn and disdain another proposal presented by my hon. colleague from Broadview—Greenwood for a single tax. He says "No, no. That is but a simple book, a simple book that even my back-benchers over there cannot read". Yet, you insist, Mr. Speaker, that he is an honourable man and we must treat him with deference.

What are the objectives the Minister of Finance holds so dear that we must bow and scrape and I dare say grovel with deference, without being able to put across our views? The minister says we must have tax reform. Let us have tax reform.

Over the course of the last four or five years there has been an increase in personal taxes of some 24 per cent. There has been an increase of 62 per cent in personal taxes for low and middle income Canadians while at the same time only an 8 per cent increase for those in the upper income category.

This is the tax reform he would address with the GST. The minister forgot to tell us and his own members—except the two worthy hon. members from Alberta who have already rejected his entreaties—that there has been a decrease of some 4 per cent in the amount of taxes paid by corporations as a percentage of the GDP.

The minister forgot to tell us, even though his estimates pointed out that over the course of the middle 1980s, 1987 for example, businesses were to pay $12 billion in corporate taxes but received $9 billion in subsidies. The minister's tax proposal does not address

that as a reform. According to the budget estimates presented only last month, corporations that were to pay $14.5 billion paid a mere $12.5 billion. Is that tax reform?

• (1200)

Another person might have suggested that the Minister of Finance lies, but he is an honourable man and that cannot be said of him.

Let us take a look at what a member of his own party, the member for Halton—Peel, said on national television Sunday night. He said: "We must have the GST. We have to raise more money to reduce the deficit, continue to pay for our educational programs and our medical programs across the country"—those which were cut in this budget—"but we are going to do it because this will give us an opportunity to reduce the deficit and the debt".

The hon. member for Halton—Peel is an honourable man too, but he suffers from excessive ambition. He would take the place of the Minister of Finance.

When we are talking about the effects of the GST, let us leave with a word of caution from members of the tourist industry who say that the implementation of such a tax measure will cause the loss of 30,000 jobs in that particular industry—5,000 in Ontario alone.

Those kinds of actions and consequences are not the marks of an honourable man, and the Minister of Finance does not deserve the title.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I am pleased to join in this debate today. I have been listening with great interest to the debate these past couple of days.

I understand the hon. member for Eglinton—Lawrence standing and mocking the Minister of Finance and trying to make him out as a mean-spirited individual. I understand the Liberals' concern about the current Minister of Finance because he is the best Minister of Finance this country has seen in 40 years. The member is so upset about it because there is not a soul in that caucus who could even tie his shoes.

Who over there would be the Minister of Finance? Would it be the hon. member from the east coast who was on national television to debate the Minister of Finance? Is he going to be their Minister of Finance if they ever gain power? The present minister wiped the floor with him in Edmonton. There he is, he just came into the House. I welcome him. I am glad he is here.

I understand why the Liberals are so concerned about the Minister of Finance. It is because he is good and they know it. He has been an excellent Minister of Finance for this country.

The hon. member talked about the rich getting the breaks. The GST is a consumption tax. I want to educate my hon. friend because he comes from an area of the city where they have high-income and low-income people. He has a mixed constituency, much like I have. The GST is a consumption tax. The more you consume, the more tax you pay. The more expensive the things you buy are, the more tax you pay.

Who is going to be paying more tax under the GST? The wealthy, of course they are. He failed to point that out in his little diatribe. Of course that is what a consumption tax is all about.

Today we are debating time allocation. The reason that the government has brought in time allocation is for the very reason that you hear from across the floor of the House. The Liberals brought in a series of motions to negate each clause in the bill. That is all that was in these motions. They did not make amendments to improve the bill, but strictly to wipe out the bill.

Mr. Gauthier: Scrap the tax, that's what we want.

Mr. McDermid: They had an opportunity to do that with their votes, but, no, they would not participate.

The other thing about the Liberal Party of Canada is that it has no alternatives—absolutely no alternatives whatsoever.

Mr. Mills: How can you say that with a straight face?

Mr. McDermid: They had no alternatives to the free trade agreement. Everybody remembers the former leader standing there and saying: "I'm going to tear it up. I'm going to tear it up".

Now, the candidates for the leadership of that party are going around the country saying: "We are going to wipe out the GST". I am going to tell you, one of the things they are not saying to the Canadian people is what

they are going to put in its place. Not one of them has said that.

Mr. Mills: That is not true.

Mr. McDermid: Except *le p'tit gars de Shawinigan*. He said very clearly: "We must be sure. We cannot wipe it out."

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

I do not think it is too parliamentary for a member of Parliament to use that kind of facial expression. I think that is mockery. I do not think it is parliamentary at all.

Mr. McDermid: Mr. Speaker, I have to remind my friends that I have been in the House many times when Eugene Whalen used to get up and do exactly the same thing. I am not making fun of my friend, Mr. Chrétien. I am impersonating Mr. Chrétien when he says he would not wipe out the GST if he became the leader.

Mr. Mills: That is not what he said.

Mr. McDermid: Sure, that is what he said. His mouthpiece from Toronto has moved from his back-bench seat to the front row so he can heckle me. He can heckle all he wants. I am going on with my speech.

The Liberals would negate the bill, they have no alternatives.

Let me turn to my good friends from the socialist party. The socialists in this country have made it very clear from day one—they have been right up front with it, and I have to give them full marks for that—they would do everything to obstruct this bill—absolutely everything. They are not here to debate it. They are not here to try to improve it. They are here strictly as obstructionists.

A government was elected to do the business of the country, and that is what we are doing. That is why we brought in time allocation. It is obvious that they are not interested in debating the bill in an intelligent way. We have gone through a major consultative process on this bill. We have, for many years, been consulting all sectors of the economy on the goods and services tax. It is now time to get on with it.

We have some government amendments that have been introduced which improve the bill. They come from suggestions and consultations in the finance committee under the able leadership of the hon. member for Mississauga South.

I will tell you, that is another thing members of the opposition are upset with. We have a great chairman of the finance committee, and they do not like him at all. It is too bad. He has done a marvellous job, and this country understands that he has done a marvellous job.

I might say that during the committee hearings we had some excellent representations from witnesses. They have provided us with suggestions for improvement. We will see those improvements in the amendments that are brought forward to make the GST operate better and more fairly in this country.

Governments have to make tough choices, tough decisions. We understand that they may not be popular with the people. But there comes a time when the government has to make a decision for the economic well-being of this country. That is what we have done.

I read with great interest this morning my media pundits saying that our caucus is falling apart, that our caucus is disintegrating because of the goods and services tax. There is nothing further from the truth. The Progressive Conservative caucus is solidly behind the Minister of Finance and the Prime Minister on the goods and services tax.

You know what? I will tell you. The caucus members met regularly with the Minister of Finance, and also with the chairman of the finance committee, and made some very positive suggestions which improved the goods and services tax. Members of our caucus did that. They were very productive. They were very positive in their approach. They did not have this negativism that we get from the other side, which has absolutely no alternative. There have been no alternatives whatsoever from the Liberal party, or from the New Democratic Party that make any sense.

I am telling you, Mr. Speaker, and I want the media to understand this, as well as the Liberals and the New Democrats, the Progressive Conservative Party, the Progressive Conservative caucus is solidly behind the Minister of Finance and the government in this motion today.

We watch what is going on in those two parties, and their leadership convention. We see them fighting over one another all the time. They should be taking a look at

themselves before they look at the Progressive Conservative Party.

Mr. Nault: Eighty per cent of Canadians are against the tax. That's a good job in six years.

• (1210)

The Acting Speaker (Mr. Paproski): I think the hon. member for Kamloops is rising on a point of order.

Mr. Riis: Mr. Speaker, I must not have understood the news media last night. I thought I was watching and hearing members of the Progressive Conservative caucus who indicated they were not voting in favour of the GST. When my hon. friend says that the caucus is uniformly in solidarity behind this measure, obviously he is not speaking the truth.

The Acting Speaker (Mr. Paproski): I believe that is debate. The minister has one minute left.

Mr. McDermid: Certainly we know it is debate. We know who he is talking about. He is talking about someone who, from day one, has opposed the goods and services tax and who has been sitting on the outside of the whole debate and has not participated in a positive way, like the other members of the caucus have. The caucus is not disintegrating, I can assure my hon. friend of that. As much as he would like to see it, it just is not happening.

Finally, what we are seeing across this country is that approval for the goods and services tax is growing. It is growing through the understanding of how the system operates and how it works.

I received a letter recently from a small businessman, a manufacturer in my community who said: "I have done as you suggested and prepared a cash flow statement for 12 months under the present federal sales tax system and also one under the proposed GST. It appears that this is a case where I am glad to say I was wrong. Quarterly remittances makes a big improvement on our cash flow"—it is about 34 per cent by the way—"and offsets the outlay of cash when raw product is purchased. The GST tax credit on office supplies, et cetera, makes very little difference to our particular company but I can see in other operations it could be significant."

That is what is happening across this country as the small business community understands that this is going to be a great improvement. I can tell you, by 1992 the Canadian people will be pleased that we brought this system in.

Some Hon. Members: Hear, hear!

Mr. Gagliano: Mr. Speaker, I rise on a point of order. May I ask the minister if he could table that letter so we can all see it.

The Acting Speaker (Mr. Paproski): Would the hon. minister like to mail the letter to the hon. member?

Mr. McDermid: Mr. Speaker, I did not read from it, I ad libbed around the essence of it.

Some Hon. Members: Oh, oh!

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I would like to take this opportunity to talk a bit about the goods and services tax in the short time I have to speak on this. I say a short time because, quite frankly, many of my colleagues on this side of the House have been lining up to speak on this bill and have not been given the opportunity to do that because of time allocation.

I will start my remarks by talking about the government's attitude toward time allocation and its use of it. Since I was elected to this House, the government has used time allocation or closure 35 to 40 times. That is an appalling number of times to limit debate. Canadians want us to stand up and speak on their behalf on these issues. Yet time and time again this government has brought in time allocation to limit our abilities to discuss the issues.

The GST issue has only been debated in the House at report stage for 46 minutes, and we are already debating time allocation.

There are many serious concerns that the people of Haldimand—Norfolk want me to express about the GST. I have had various meetings throughout the riding with them.

I want to centre on three issues dealing with its effects on agriculture, seniors and our small business people. These are the people in riding who have come to me to express their concerns about the GST.

Farmers will now have to pay the GST on fertilizers, chemicals, fuels, lubricants, equipment repairs and all other general maintenance. To receive rebates, farmers will have to chase down every single receipt for money they paid in order to receive any funding back from the government.

Farmers have told me time and again that this is going to be an extreme burden on their abilities to farm. Instead of taking the time to deal with proper farming methods, they are going to have to be bookkeepers. They are going to have to be accountants. This tax puts an undue burden on them. The farmers of Haldimand—Norfolk wanted me to express that to you, Sir.

As Ontario Federation of Agriculture president Brigit Pyke told the finance committee: "Their cash flow position could be considerably worsened, forcing them to borrow money in order to pay the tax." This is a real problem for agricultural communities.

Then there is the massive paperwork burden. As the president of the Western Canadian Wheat Growers put it: "We'll be doing our books every spring instead of riding a tractor".

Farmers already have a cash flow problem, as we have discussed in this House, and this government has decided to take away the interest free advances that farmers, especially in my riding, count on.

Now the government brings farmers the GST. With it, the money that farmers need to put out to get their crops planted and harvested will now be used to pay taxes. If they want rebates quickly, they will have to do their books on a monthly basis and they will never be compensated for this time and effort.

Farm equipment dealers told the finance committee that the GST will mean an additional $40 million in interest and paperwork costs to their industry. Allen Hills of the Canadian Federation of Farm Equipment Dealers of Canada said: "We cannot afford to absorb any more costs. Either the farmers will pay or some dealers will have to go bankrupt".

The government is not totally heartless when it comes to farmers though. If farmers decide to give up the farm completely, to sell all their land to another farmer or a relative, or if they are forced out of the business, then they do not have to pay GST. But if farmers decide to stay on the farm and try to make a go of it by selling off part of their land to a developer or to any other business to pay for the additional costs of farming that the GST will force upon them, the sale will then be subject to the GST.

The government has stated that basic food prices will not rise as a result of the GST. But if the costs, in both time and money, of growing food rises, surely either the food prices will rise or the burden will be put on the farmer.

As badly off as the farmer will be, he will not be alone. As I said, I have had many discussions with different seniors groups in Haldimand—Norfolk and, quite frankly, Sir, they are outraged with this tax. They have lost respect and confidence in this government. The government that told them that social programs were sacred was the same government that attacked our elderly with the clawback and is now attacking them with the GST.

I and my caucus have met with different seniors organizations. Jean Woodsworth, president of the One Voice Seniors Network, said: "The tax on goods and services means hardship on seniors. It seems that low and middle-income seniors will be pushed toward poverty. The proposed tax credits do not reassure them—meanwhile, wealthy Canadians will be paying proportionately much less, and that's just not fair."

The GST proposal is not fair. It is not fair to seniors, it is not fair to farmers and it is not fair at all to the small business people, especially those in my riding.

I had a meeting recently with them in Simcoe where we discussed this tax. Quite frankly, 99.9 per cent of them were against the GST. They had very valid reasons. They were concerned by the cost that the GST would put upon their small businesses, which now need cash flow. They are concerned that government programs to assist them with purchasing things like cash registers will not be in place and that the cost of maintaining this GST will be much more than any rebate that the government gives to them, and they voiced these concerns to me. Mr. Bulloch, who appeared before the committee, gave many differing reasons why small business was against the tax. I do not want to go through them, but I do want to quote from a speech of his in which he outlines the stand of the Canadian Federation of Independent Business. He said:

> The measures proposed to assist small businesses with implementing the tax—would be a reasonable attempt to offset the regressive compliance implications of a single-tiered sales tax. They do not, however, begin to offset the actual costs that will be imposed on small firms by a two-tiered tax system.

• (1220)

Even the government and the Minister of Finance, early on indicated that they would not bring in a two-tiered tax system. It was his idea that if you could negotiate with the provinces and get some sort of agreement on this, then that would be the best approach to take. Quite frankly, he has failed to do that. As a

result, he has put in jeopardy small business people in Canada, and those in my riding.

I see my time is coming to an end. Before I finish, I want to quote a constituent of mine who called the GST hotline to get information on the GST. He is a small businessman. He said: "While they gave me very good information on certain questions I had, one person asked me if there was any other country I would like to live in. I happen to be a third generation Canadian, going back to the early 1800s. My father served in World War I and I served in World War II and I do not appreciate being asked this question just because I had opposition to the GST".

Quite frankly, that question portrays the attitude of this government toward those who oppose it. Instead of listening to opposition concerns, taking them in and trying to develop some sort of alternative that might reflect what small businessmen, seniors and farmers are saying out there, it brings in closure instead. It brings in time allocation to stop debate on this issue.

There are other approaches. There are approaches and alternatives that have been put out by different groups. I think that these should have been discussed. The process should have started with discussion, first, and then the alternatives.

Our party does have an alternative to the GST. We want to scrap the tax. We want to open discussions, talk with Canadians, small businessmen, farmers and seniors about their concerns. I think that is the proper approach.

I see you are signalling that my time is up. I appreciate having the opportunity to speak on this question.

[*Translation*]

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, I will not hide from you that I am more convinced than ever that it is important to pass this legislation as quickly as possible.

I am even more convinced because of what I just heard the previous speaker say. His statements and allegations are totally unfounded and so erroneous that I am more determined than ever to get the debate over with, because these falsehoods are likely to frighten our people and have nothing to do with the legislation we are preparing to pass.

I also deplore the fact that my hon. colleague who just spoke and who is also a backbencher did not take more time to read the legislation a little more thoroughly and report back to his constituents. He gave some examples like farmers and small businesses, but he could have given them clarifications to show that he really represents his riding. But alas, what I just heard from him is false.

So I repeat, Mr. Speaker, it is urgent to pass this bill and to get it over with once and for all.

After years of studies, analyses and reports on the problems of our present system, now more than ever is the time to act, not to talk and distort reality.

In the past few months, we have seen a whole slew of tactics and tricks from the hon. members opposite, and I just heard another example of it.

Did they make statements to improve the bill? They did not. Did they suggest alternatives to the present unfair system? They did not. Mr. Speaker, I have not heard a single constructive remark in all the speeches they have made so far. All they have done is criticize. All they have done is use scare tactics on Canadians, especially on certain groups tire senior citizens. All the delay, all the problems they raised were just a lot of petty politics. This is just one more example of the opposition's traditional tactics of scaring people and not moving an inch, so that we now have this disastrous legacy including our cumulative annual deficits—our national debt—and what they did was merely maintain the tax system we have today that is so unfair to Canadians.

Both opposition parties know perfectly well that we must change the present federal sales tax—a hidden tax—and do so drastically. They know perfectly well we must reduce the deficit—

Mr. Young (Gloucester): You increased it by 45 per cent since 1984.

Mr. Côté: —and control our debt so we can get rid of it altogether. However, in their, I would say, cynical campaign against the GST, spokesmen for these two parties have tried to scare, as I said earlier, the most vulnerable members of our society: senior citizens and low-income families.

Mr. Young (Gloucester): Is the FTQ scaring people in Quebec? Is Louis Laberge trying to scare people in Quebec? Yes or no?

Mr. Côté: I must say, Mr. Speaker, and I heard some reactions just now. I believe that to a certain extent, they scared people. Yes, they did. Remember what they did during the debate on free trade. They scared them then, to a certain extent. They did. However, all the more reason to finish with these enless arguments which are causing considerable concern among Canadians.

Mr. Young (Gloucester): We haven't finished yet! Remember the deindexed pensions?

Mr. Côté: Many people do not realize that thanks to the tax credit they will receive, their incomes will go up, although my hon. opposition colleague from the finance committee does not agree.

Mr. Young (Gloucester): It isn't indexed.

Mr. Côté: Mr. Speaker, I would like to know whether my colleagues across the way, who are interrupting me, are proud of what they did? Are they really proud of the scare tactics they used on the most vulnerable people in this country? If they claim to represent Canadians, including the most vulnerable in our society, how can their conscience and sense of honesty let them do and say what they are doing and saying now?

Mr. Young (Gloucester): Eighty per cent of Quebecers are against the GST.

Mr. Côté: The answer is clear. They are not responsible people and they do not represent these vulnerable groups because otherwise, Mr. Speaker, they would have suggested alternatives. They would have added constructive amendments. But it was no, always no, until the very end, including the filibuster.

Mr. Boudria: My colleague proposed 60 amendments.

Mr. Young (Gloucester): The Tories are down to 17 per cent in the polls! Twenty per cent of people are for the GST.

Mr. Boudria: You are even less popular than the GST!

Mr. McDermid: Wait until the election!

Mr. Young (Gloucester): When you start flogging your promises again?

Mr. Côté: So it is not surprising, Mr. Speaker, that when they are exposed to this kind of cynicism and tunnel vision on the part of opposition members, Canadians have trouble trusting politicians. Unfortunately, this reflects badly, not just on the opposition but on all parties generally. How can groups that are particularly vulnerable, and how can Canadians in general be expected to trust politicians?

An Hon. Member: Fewer than 20 per cent are in favour of the GST.

Mr. Young (Gloucester): You are down to 17 per cent in the polls.

Mr. Côté: Mr. Speaker, just listen to the opposition's violent response to whatever we have to say, and we have a right to say it, Mr. Speaker.

In two or three years, when election time comes around again—and I would advise you, my opposition friends, to listen to what I have to say.

An Hon. Member: Good for you, Yvon!

Mr. Côté: When election time comes around again, in two or three years, I am convinced that once again, the vast majority of Canadians will put their trust in a government that has acted responsibly, that had the courage to do what is necessary, what others before us failed to do, thus leaving us with this deficit and this national debt.

• (1230)

Mr. Speaker, as long as politicians base their decisions on partisan and purely political considerations, we will have governments that are not responsible, that are powerless, and we should not be surprised at the kind of legacy such governments leave to the electorate they claim to represent and whose well-being they claim to defend. I repeat, in two or three years, we—when I say we, I mean Canadians, except for the opposition—will appreciate the competence and courage of this government.

[*English*]

The Acting Speaker (Mr. Paproski): It being 12.31 o'clock p.m., the two hours provided for the consideration of the motion now before the House under the provisions of Standing Order 78(3) have expired.

Accordingly, under the terms of the Standing Order, it is my duty to interrupt the proceedings and put every question necessary to dispose of the motion.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion, the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

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

(*Division No. 216*)

YEAS

Members

Anderson
Attewell
Belsher
Bertrand
Blenkarn
Bourgault
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Cole
Cook
Corbeil
Côté
Crosby (Halifax West)
Darling
Della Noce
Dobbie
Duplessis
Ferland
Friesen
Greene
Harvey (Chicoutimi)
Hogue
Horner
Jacques
Jelinek
Kempling
Langlois
Layton
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
McCreath
McDougall (St. Paul's)
Merrithew
Monteith
Atkinson
Beatty
Bernier
Blackburn (Jonquière)
Bosley
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Clark (Brandon—Souris)
Collins
Cooper
Corbett
Couture
Danis
de Cotret
Desjardins
Dorin
Fee
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Halliday
Hawkes
Holtmann
Horning
James
Joncas
Koury
Larrivée
Lewis
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McDermid
McLean
Mitges
Moore
Nicholson
Plourde
Redway
Reimer
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Van de Walle
Vézina
Vincent
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—110
Oberle
Porter
Reid
Ricard
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Venne
Vien
Weiner
Winegard

NAYS

Members

Allmand
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Blackburn (Brant)
Boudria
Butland
Campbell (South West Nova)
Ferguson
Foster
Gaffney
Gardiner
Gray (Windsor West)
Harvard
Hopkins
Hunter
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
Manley
McLaughlin
Mitchell
Nault
Pagtakhan
Peterson
Rideout
Robichaud
Samson
Speller
Taylor
Walker
Wood
Young (Beaches —Woodbine)—67
Angus
Barrett
Berger
Blaikie
Brewin
Callbeck
Catterall
Flis
Fulton
Gagliano
Gauthier
Grey (Beaver River)
Heap
Hovdebo
Karpoff
Kindy
Langan (Mission—Coquitlam)
Laporte
Lee
MacDonald (Dartmouth)
McCurdy
Milliken
Murphy
Nystrom
Parker
Pickard
Riis
Rompkey
Skelly (Comox—Alberni)
Stupich
Volpe
Wappel
Young (Gloucester)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

It being one o'clock I do now leave the chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE BUDGET

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I rise today in opposition to recent budget cuts to various social and educational programs. This government has cut important programs for our aging veterans, is diminishing our native people's ability to communicate with themselves and others, has cut women's programs which provide support for battered and sexually assaulted women and for jobless, illiterate and homeless women in Canada.

Furthermore, this government has cut important educational programs and, in particular, has cut funding to the summer group exchange program. This program has permitted students to learn English and French through exchanges between Quebec and Ontario.

I wonder, with others, why this government cut funding to a program which promotes bilingualism, tolerance and understanding among our young Canadians. This year, because of government cut-backs, 18 school boards were forced to drop the program eliminating the participation of over 800 students.

At a time when relations between English and French speaking Canadians are strained, we are seeing an assault by this government on a program which promotes greater understanding, tolerance and acceptance.

The Commissioner of Official Languages this week accused the government of failing to take the necessary measures to promote the intent of our Official Languages Act. I ask the government to accept the just criticism and, as a first step, reinstate the necessary funding to promote student official language exchanges.

* * *

ROUGE RIVER VALLEY

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, we are all aware of the need to take steps to improve our environment and to protect the natural beauty of this country for future generations.

The creation of the Rouge River Valley system is an important victory that will preserve 10,500 acres of river valley in close proximity to Canada's largest city. This victory was only achieved after decades of effort by many people and all levels of government.

When we look at this triumph, we can see the tremendous effort we all must be willing to put forth over the next years if we are to make real progress in solving our environmental problems.

In this effort, I wish to acknowledge the member for Scarborough Centre who worked tirelessly to bring about real solutions to this difficult environmental problem.

* * *

GOODS AND SERVICES TAX

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, this government appears determined to force Canadians to swallow the goods and services tax, despite the obvious negative effects it would have on the health of our economy, despite protests from all sides, and despite the general feeling that it is a rotten tax.

This exercise of having the GST rammed down our throats has left a lot of us feeling pretty sick. In fact, even some Conservative members of the House are showing signs of nausea. At the same time, we have heard that any Tory member who misses the final GST vote will be asked to produce a note from his or her doctor. In other words, they are going to be dragging themselves here even if they are at death's door.

As someone who cares sincerely about my colleagues, I am urging hon. members to play it safe. If you are feeling too disgusted to vote for the GST, I am sure that we can come up with a doctor's note to get you off the hook.

* * *

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, the federal government in one year has cut back its commitment to agriculture by 57 per cent, a drop of $1.8 billion.

The Ontario soybean growers report that current prices are 14 per cent below the five-year average, 25 per cent below that of a year ago, and that several areas were hit hard by drought and excessive moisture last year. Likewise, the Ontario corn producers marketing people

note that the yields from last year are down 30 per cent to 60 per cent due to continued drought across 13 counties, and that the Niagara—Haldimand area and Essex were critically damaged due to excessive moisture last spring. The income of corn producers in Ontario is currently only 28 per cent of pre–1985 levels.

Although grain and oilseed producers in Ontario are encouraged that the government has finally made an announcement of possible aid, the "if" factor of the government's proposal has left them vulnerable and does not address immediate planting problems.

To date, there has been no indication of how much assistance has been earmarked for Ontario or what mechanisms will be used to determine levels or the nature of that assistance. These critical questions need answers immediately from the government.

The time for stalling is over. Canada's producers need a firm commitment rather than one that makes them pawns for the cynical hard ball tactics of the federal government against the provinces.

* * *

WORLD HEALTH DAY

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, Canada celebrates on Saturday, April 7, World Health Day, which has for its theme "Your Health and the Environment" and for its slogan "Think Globally and Act Locally".

About 1,000 to 2,500 children under the age of five years in developing countries die every hour from diarrhoeal disease caused by lack of safe water. About one million people are poisoned each year from contact with pesticides of whom between 5,000 and 20,000 die.

Indeed, environmental problems are now the world's major causes of diseases, death and dislocation. Industry poses the danger of chemical contamination and toxic waste. Burning fossil fuels causes the greenhouse effect.

Destruction of the environment by creating deserts and raising the level of the sea will force people to move from their homes.

This year's theme challenges all concerned to embark on an awareness program to highlight the measures citizens and countries must take to stop further damage to our planet and to spotlight the viable options for sustainable development.

As parliamentarians, let us accept the political prescription: the challenge to us to act locally in matters of health and the environment is great; the challenge to us to think globally when we act locally is greater.

"No man is an island, entire of itself", wrote the 17th century poet, John Donne. As we celebrate World Health Day, let us recall and live his message.

* * *

LABOUR

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, as members will know, the task force report of the Canadian Labour Market and Productivity Centre was released this past Monday.

The report highlights that Canada's future economic growth and prosperity will increasingly depend on a highly skilled and adaptive labour force. Yet, to meet the demands of an evolving work environment, Canada needs a new attitude and approach to training our labour force. Our current national training effort sorely lags behind that of our major competitors.

It is imperative that our government show leadership in this respect. We must work with the provinces as well as with business and labour to realize the fundamental recommendations of the CLMPC report.

Through a new institutional framework, policies and programs, we can help Canadians adapt effectively to the changes in occupational and skills requirements which they will face in the future.

I urge the members of this House, and indeed all Canadians, to read the CLMPC report. Many of the recommendations demonstrate the urgency and vitality of an effective and comprehensive skills training strategy for our future economic well–being.

* * *

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, details of the government's long awaited relief package for the Atlantic fishery are trickling out. In what we have seen so far, there is no mention of any plan to upgrade the role of the Department of Fisheries and

Oceans in any of the areas where there should be, one of which relates directly to seafood marketing.

Had this government not directed the department in 1986 to relinquish its traditional leading role in marketing, Atlantic fishermen might be in a better position to harvest profitably the hundreds of thousands of tonnes of fish currently allocated to foreign boats as underutilized species. Instead, we now see groundfish plants closing because they are dependent on traditional stocks.

This is a question of taking responsibility. The government does not dispute the fact that this crisis is a result of its poor scientific analysis. In order to ensure that as many fishermen and plants as possible can stay in the fishery until the stocks recover, the government must also take the responsibility for helping hard pressed Atlantic Canadians diversify their seafood product lines and establish new markets.

* * *

GOODS AND SERVICES TAX

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, yesterday we witnessed the Prime Minister of this country flying all the way to Alberta, without passport, to urge MPs in Alberta to support the GST. The Prime Minister's advice was not heeded by a significant number of Tories. I am urging members in this House to consider the pitfalls if they go along with that advice.

Just think if they support the government and the GST is passed. Not one of the Liberal candidates running for leadership has said that if they were Prime Minister they would cancel it. What we have is the government urging those western members of Parliament to become part of the kamikaze squad. They will die so that the Liberals can live, and Canadians can't stand it.

* * *

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, at the June 1988 Changing Atmosphere Conference in Toronto, the best scientific minds from around the world concluded that we should globally reduce carbon dioxide pollution by 20 per cent by the year 2005.

Two years later, at a ministerial conference just concluded, the federal energy minister argued that Canada should wait. For what, for whom, and why?

• (1410)

This is another example of indecision and division. On the one hand the environment minister issues a well intentioned but weak discussion paper on the environment saying that if we do not take action soon on global warming, it may be too late. On the other hand the energy minister declines to give leadership on the environment and declares that national restrictions on greenhouse gases are premature.

So far this government's statements on the environment are empty words. What a sham.

* * *

[*Translation*]

AIR TRANSPORT

Mr. Vincent Della Noce (Parliamentary Secretary to Minister of National Revenue): Earlier this year, Mr. Speaker, Alitalia Airlines appeared no longer interested in the Rome–Montreal air connection and was even planning to vacate its Montreal head office.

Following this announcement, representatives and travel agents within the Italian community decided to take up this challenge.

An *Urgence Pro–Alitalia* committee was formed and I personally travelled twice to Rome, together with a delegation, to meet the top Alitalia executives.

It is clear, in the present circumstances that the new Alitalia officials do not realize the importance of Quebec as a reliable, constant and cost–effective market.

After listening to our representations, the Alitalia executives reverse their decision; they will maintain, for the time being, the Montreal–Rome air connection.

We have won a battle granted but not the war!

Alitalia Airlines will surely try again, because it wants more flexibility on the new bilateral agreement which is to be negotiated within a couple of weeks.

I have told the Ministers of Transport that we should accept a new and more flexible agreement, provided we are not penalizing Quebec, Montreal and Mirabel, and certainly not the Italian community which I represent.

* * *

[*English*]

FORESTRY AGREEMENTS

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, I urge the government to continue in its efforts to renegotiate the lapsed forestry agreements between the federal government and the provinces.

In recognition of the importance of this issue, I would like to advise that there was a unanimous recommendation from the forestry subcommittee that we in the strongest terms express to the minister our continued support for his efforts to renegotiate this agreement. It would be unthinkable if our provinces were in any way to allow these programs that are so valuable to our environment as well as our economy to lapse.

The minister has our support. I ask him to get those agreements.

* * *

GOODS AND SERVICES TAX

Mr. Peter L. McCreath (South Shore): Mr. Speaker, during the past 24 hours I have heard protestations of anguish from members opposite about the government's use of time allocation to conclude the debate on the GST bill.

At the same time, the unelected Liberal majority in the Senate is endlessly delaying Bill C–21, thereby costing unemployed Canadians thousands of dollars that they need and deserve.

Now we have the member for LaSalle—Émard, in his quest for the leadership, calling on the Senate to ignore the will of the democratically elected House by blocking the GST bill.

Meanwhile, the little guy from Shawinigan does not like the GST, but he would not scrap it.

This morning on CTV, Senator Kirby said the Senate should hear from those Canadians not heard by the finance committee. Yet, the Senate committee on Bill C–21 heard 54 of the same witnesses as had been heard by the legislative committee of this House.

The Liberals may be confusing themselves. They are not fooling Canadians. That is why this party is in power, and that is why this government will be re–elected.

* * *

[*Translation*]

PROGRAM FOR OLDER WORKERS ADJUSTMENT

Mrs. Carole Jacques (Mercier): Mr. Speaker, I wish to comment on an efficient government.

The reason I rise today in this House is to remind Hon. Members that last week, within the context of a federal–provincial initiative, the Federal Government showed leadership by entrusting the private sector with the management of the Program for Older Worker Adjustment through the awarding of several contracts for the purchase of life annuities.

The purpose of this program is to provide a regular and steady income to working men and women between the age of 55 and 64 who permanently lose their jobs as a result of mass lay–offs.

Mr. Speaker, it took only nine months from the time the legislation was passed to the time the first cheques were issued.

By having the private sector look after the management of the Program for Older Worker Adjustment, the Government did not have to set up a new bureaucracy thus saving additional costs which would have been spread over a couple of years.

I wish to congratulate the Federal Government for its leadership in this area, and especially Hon. Jean Corbeil, the Minister of Labour, in charge of this project to assist Canadian men and women who have contributed so much to our Canadian society.

* * *

[*English*]

GOODS AND SERVICES TAX

Miss Deborah Grey (Beaver River): Mr. Speaker, last night the Prime Minister went to Alberta to soft sell the GST. It is obvious that Albertans are not going to be flattered into supporting it.

As the final vote for the GST approaches, we see how Alberta MPs are being strong armed. Albertans are against this GST and do not appreciate the chief government Whip bullying them into line, to oppose the wishes of the democratic majority. We see that two members

have already been threatened. We know that other members are being bribed to vote for the GST or risk losing precious lifetime pensions.

By not appointing Mr. Waters to the Senate, by stifling debate on the GST, by imposing it on Albertans against the wishes of 80 per cent of the people, and by the chief Whip suggesting an increase now of $7,000 on their tax-free allowances in times of fiscal restraint to buy anti-GST MPs, this government and the Alberta MPs are doing little to endear themselves to the electorate.

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GOODS AND SERVICES TAX

Mr. Rod Murphy (Churchill): Mr. Speaker, in Winnipeg this weekend Jean Chrétien continued not to support the fight against the GST. He is refusing to say what he would do if he were the Prime Minister of this country.

We saw the effect of Mr. Chrétien's wavering. This afternoon, only 110 Conservatives showed up to vote for the time allocation motion. They won that by 43 votes and 48 Liberals did not show up to vote against the government. If those Liberals had shown up, then Tory MPs would have had to go home at Easter, hear from their constituents and would have voted against the GST.

As a public service, I wish to give out Mr. Chrétien's campaign number so people can protest the lack of voting by the Liberal caucus. In Winnipeg, the number is area code 204-944-0267, in Vancouver, area code 604-684-8492, and in Montreal, area code 514-844-1990.

ORAL QUESTION PERIOD

[*English*]

GOODS AND SERVICES TAX

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister.

We have learned in recent days that some government members are having trouble representing the concerns of their constituents against the goods and services tax because of the strong arm tactics of the Conservative Whip.

Will the acting Prime Minister allow all government members, including those who have these concerns, to vote freely on this legislation? Will he allow a free vote on the goods and services tax?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the hon. member well knows that this government regards this major economic measure, as governments of which he was a part in the distant past regarded major economic measures, as a question of confidence.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my supplementary question is for the acting Prime Minister.

The report of the special committee on the reform of the House of Commons, the McGrath report, states:

> —government members should be able, without fear of retribution, to amend or defeat clauses in bills; make amendments to bills implementing ways and means legislation;—and reject proposed legislation outright.

Speaking in this House, the Prime Minister said:

> I was proud to be able to appoint this committee and, as Prime Minister, I endorse all its recommendations.

Given that the Prime Minister himself has endorsed the right of government members to vote without fear of retribution and even oppose government legislation, why won't the government announce today that it will allow a free vote of its members on the goods and services tax legislation?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Leader of the Opposition takes considerable liberties with the McGrath report and indeed with the traditions of Parliament which he well understands in regard to questions of confidence.

He will also remember that when his former colleague, the former member of Parliament for Westmount, had serious disagreements with a matter of fundamental policy in that party, he found it within himself to act in an honourable way and to dissociate himself from the Liberal Party caucus. That is the tradition of this place.

• (1420)

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I quoted the McGrath report verbatim, and I also used the Prime Minister's exact words in support of this report. So I am surprised that the Acting Prime Minister continues to refuse to allow a free vote on the GST, even after he was reminded that the Prime Minister had spoken in favour of the right of government members to vote freely without fear of retribution.

So I ask the Acting Prime Minister: Will there be a free vote on the GST Bill, and if not, why? Mr. Speaker, there is no real reason, according to what the Prime Minister said.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, according to what the Prime Minister said and in keeping with parliamentary tradition, budgetary or economic questions that are of prime importance, or questions on motions presented by the opposition on allotted days are always questions of confidence. It is a well-established principle, accepted by the McGrath Commission. The Leader of the Opposition should stop trying to rewrite history.

* * *

[*English*]

FISHERIES

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Fisheries and Oceans.

Rumours are circulating that the aid package for the Atlantic fishery is a paltry $500 million.

Some Hon. Members: Oh, oh!

Mr. Rompkey: That is true. I see the front-benchers laughing. The same front-benchers who provided $21 billion for farm aid out west, I see them laughing.

Can the parliamentary secretary confirm that the aid package for Atlantic Canada is more than the paltry $500 million, and in line with the promise of the Prime Minister to be generous and in line with the offer to western farmers? Can he guarantee that?

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, first, I can guarantee my hon. friend that the aid package for the Atlantic fishery will be designed, be prepared and be presented to ensure that the needs of the Atlantic Canadian fishery are addressed and that the needs of the people who depend on the Atlantic Canadian fishery are addressed.

The amount of money is not what guides this government. It is the concern for and understanding of the fishery that will guide the policy of this government.

Hon. William Rompkey (Labrador): Mr. Speaker, if the government would put its money where its mouth is, it would be fine because all it has offered so far is $130 million to move people to Toronto.

Will the parliamentary secretary guarantee that the government will live up to the promise of the Prime Minister for a generous settlement, which is far in excess of $500 million?

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, the mere $130 million is designed to address the immediate needs of the people in the communities of the Atlantic provinces who have been hurt by the problems that we all acknowledge we face in the fishery.

We have provided not only unemployment insurance, training, mobility, but community funds as well, so that the communities of Atlantic Canada can put together responses in which all of us can participate to address community based solutions for the problems in Atlantic Canada and that we know there is a future for communities in all our provinces. I think that is the wish of all members.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Finance.

The Minister of Finance keeps on saying that his tax will not hurt low- and middle-income people. We all know that it is not going to be so. Not only is the GST credit inadequate, but we just learned that the provinces could consider it as income and tax it. That would be the case in Quebec.

Can the minister confirm that this is what will happen?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I can confirm very clearly that if the province of Quebec or any province treats this as taxable income, we would look to my hon. friend as well as to all members of the House of Commons to roundly criticize that approach by the provinces and try to ensure that there is not an attempt by any province to try to take a credit provided by the Government of Canada to offset the impact of the GST on low income earners. I would hope my hon. friend would support us strongly on that.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Minister of Finance. I take it the Minister of Finance is promising to this House that he will take strong action and comments, if provinces do undertake to tax the credit.

The Minister of Finance said in the 1987 budget that profitable corporations should pay their share of taxes. By the end of that year, there was $27 billion in untaxed corporate profits, most of that in the hands of businesses that made over $100 million a year.

Will the government start undertaking to tax large corporations for new tax revenue rather than poor and middle income Canadians?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, this is one of those half-truths that the hon. member puts forward.

She talks about the 1987 budget, but she neglects to say that within four months of that budget we brought down a White Paper on tax reform, one of the principal elements of which was to remove a number of the loopholes that corporations were using to reduce their tax liabilities. The statistics that she and her colleague from Yorkton—Melville use are 1987 statistics, before the corporate income tax reforms took place.

Let me give her two examples of what has happened since then. This year the chartered banks which were paying no tax at that time will be paying about $700 million or $800 million worth of tax. At that time there was no large corporations tax. Now we have a large corporations tax that will raise in excess of $1 billion.

These are two examples of how this government has introduced fair taxation to ensure that corporations will be paying their fair share of taxes.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, 145 corporations with profits over $100 million each still remain tax-free and are able to write off 100 per cent of their interest costs. Meanwhile, consumers, small businesses and farmers face the goods and services tax that the minister is proposing, and today again an increasingly rising interest rate.

Will the minister now lower interest rates and scrap the GST?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, this is one of those facile approaches that the NDP periodically talks about where we snap our fingers and we get interest rates down.

If she were honest with herself, she would know that that is not possible. She would know that there is a good deal of inflation in the economy today. There is a good deal of strength in the economy today which is leading to those high interest rates. She knows that if the Governor of the Bank of Canada just suddenly dropped the rates, as she would have him do, we would have a financial crisis on our hands.

That simply is not the way to look after interest rate policy. It is not the approach to monetary policy that we are going to follow as a government, because we are committed to getting inflation down and doing so on a permanent basis so that we can get interest rates down on a permanent basis, which will lead to an ongoing healthier economy.

* * *

• (1430)

NATIONAL DEFENCE

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I am sure that all members of the House will want to join with me in extending our condolences to the bereaved family of Captain Pierre Trottier of Princeville, Quebec—the pilot killed in yesterday's crash of a Canadian Forces CF-18.

I have a question for the Minister of National Defence relating to the several crashes of CF-18 fighter aircraft. Canadians have a right to know the problems surrounding these crashes. Will the minister undertake to make

all reports public on the crashes to date and will he refer these reports to a special commission or public board of inquiry charged with bringing in corrective measures?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I know all members of the House join in the sorrow felt by the wife and family of Captain Trottier in the tragic incident of yesterday.

As the hon. member may be aware, since 1982 there have been nine crashes of CF-18s serious enough where the plane has been written off. These have involved six fatalities. Investigations have been completed in three of these instances and from the information I have, in none of those instances does it appear as though the fault was that of the airplane.

The policy of the department has not been to automatically release the investigation results in such circumstances, although the information is available under access to information.

My colleague, the minister, and I, and senior officials are reviewing this policy and look forward to bringing in policy which may be more responsive while at the same time ensuring the integrity of the investigations and the privacy of those who may be involved.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, the CF-18 is a highly technical piece of equipment. Why does the minister's department not allocate more training hours for pilots who are given the responsibility of operating these very sensitive and sophisticated aircraft?

Why would the government want to skimp on training and orientation and risk the lives of highly skilled professionals, to say nothing of the financial investment lost to the taxpayers of Canada?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I think the hon. member should be aware that our pilots who fly the CF-18s are highly skilled pilots. They practise on a continuing basis and receive what I think is outstanding training.

There is a requirement for a number of hours to be flown before they can go into a CF-18. There are many hundreds of hours flown each year by each one of our pilots. I believe that they are in fact the best trained within our NATO allies and our incident ratio would reflect that sophistication and that professionalism of our pilots.

* * *

FISHERIES

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the race is on now for foreign nations to buy Canadian fishing licences to fish inside of our 200-mile zone, just in case this government gets some starch in its backbone and decides to restrict foreign fishing inside our 200-mile zone as the Harris report has suggested. There are 32 foreign factory-freezer trawler licences issued so far for fishing activity that does not take place until the fall.

My question is directed to the Secretary of State for External Affairs. Does he realize that Canadian fishermen and Canadian fish plant workers understand that they have to cut back and suffer in order to save our fish stocks but they cannot understand for the life of them why the Government of Canada is issuing licences to foreign countries to fish cod, redfish, turbot and capelin, the very fish that we must conserve? Will the Secretary of State for External Affairs act now and put an end to this run on Canadian fishing licences by foreign countries?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I suppose if one were interested simply in making dramatic statements on the floor of the House of Commons instead of trying to deal with a fundamental and serious problem, one would establish a policy of an all out attack on foreigners in any form, foreign fishermen or others.

The hon. member knows that the practices to which he is referring have to do with obligations that Canada has as a member of the North Atlantic Fisheries Organization. He will know that there are difficulties now with regard to the degree to which the European Community will respect NAFO quotas. He will know that for us to take the action that he is recommending would mean, in effect, our withdrawal from the NAFO regime.

It would also mean that the efforts that are being undertaken today by my colleague, the Minister of Fisheries, and my colleague, the Minister for International Trade, to try to use the rules and context of NATO to get more respect for our rights under that international regime would be undercut and Canadian interests,

including the interests of Canadian fishermen, would suffer dramatically.

He knows that and he should stop trying to make dramatic headlines on the floor of the House of Commons at the expense of the Canadian fishing industry.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, yesterday morning, while MPs were attending caucus, five licences were issued, four to Moscow and one to Havana, to catch 12,265 tonnes of fish in the northern codstock zone, including redfish and a by-catch of cod and turbot on the Labrador coast, enough to keep a Canadian fish plant going for an entire year.

Does the Secretary of State for External Affairs realize that the Moscow licences permit 1,000 tonnes of northern cod as a by-catch and three million pounds of redfish in 2-J and 3-K, the very fish in the very zone in which we have to cut back? The fishermen want to know what Moscow and Havana have that Fogo, Twillingate and Moreton's Harbour do not have. This is the Canadian government, not the United Nations.

Some Hon. Members: Hear, hear!

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, this is also not the OK Corral.

Some Hon. Members: Hear, hear!

Mr. Clark (Yellowhead): This is a country which, under Liberal governments and Conservative governments, has sought to live by and to enlarge the ambit of international law and international understanding.

I do know about the implications of Soviet fishing here. I do know that for the first time ever the U.S.S.R. has agreed to deliver in 1990 their by-catches for processing at Canadian fish plants.

Some Hon. Members: Oh, oh!

Mr. Clark (Yellowhead): I do know that the U.S.S.R. presence in Canadian water also provides us with about $13 million worth of economic benefits. I think it is more in the interests of Canada to take advantage of those real benefits than to try to score points by attacking Cuba or Moscow.

ARMED FORCES ADVERTISING

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is addressed to the Associate Minister of National Defence who has condemned her department for its offensive, stereotyped, portrayal of women.

I have two more examples so outrageous that they must represent a deliberate rejection of the federal guidelines. One ad of the Canadian Armed Forces portrays an Afro-Canadian, dressed in civilian clothing, acting as a chauffeur for three white soldiers, including one woman. Another portrays an oriental, dressed as a chef, operating a radio among three uniformed soldiers.

Is that the level of participation that is expected of visible minorities in the Canadian Armed Forces? Is it that their positions should be subservient? Will the minister act to discipline those responsible and bring a halt to it?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as the hon. member I think already knows, when these ads were brought to my attention I was very annoyed with them, as I am sure he can imagine. They have been cancelled and we have put in place new measures to ensure that in future such advertising will be reviewed at a higher level to give a broader perspective on such advertising.

• (1440)

I would like to say as well that the purpose of the advertising campaign was to show that anyone in Canadian society could be interested in a career as a part-time reservist in the militia, and to show that women and minority groups form part of our reserves. Obviously the method that was used to try to portray that was inappropriate. It has been stopped and I will ensure that it does not happen again.

* * *

FUNDING FOR WOMEN'S CENTRES

Ms. Margaret Mitchell (Vancouver East): My supplementary question is for the Secretary of State. Once again this government has shown its contempt for women. The minister's office has confirmed that region-

al offices across the country have been told to hire private security guards to protect them from peaceful women's demonstrations.

Will the minister explain to the women of Canada why there is enough money in the Secretary of State budget for rent-a-cops but not enough to keep the doors of women's centres open.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, on the one hand, there is a need to protect the confidentiality and to allow the staff to continue to serve the numerous client groups which recognize how well we have been serving them through the years. On the other hand, we would want it recognized very clearly that while core funding has been discontinued as a consequence of the budget, and we all understand that there were some difficult decisions made, we do have project funding with flexible criteria that are being applied.

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PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the members' attention the presence in the gallery of His Excellency Jan Carnogursky, Deputy Prime Minister of the Czecho-Slovak Federative Republic.

Some Hon. Members: Hear, hear!

Mr. Speaker: I also wish to draw to the attention of members the presence in the gallery of Mr. Bronius Kuzmickas, Vice-President of the Parliament of Lithuania.

Some Hon. Members: Hear, hear!

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FUNDING FOR WOMEN'S CENTRES

Mr. Peter L. McCreath (South Shore): Mr. Speaker, my question is for the Secretary of State. It is well known that core funding for women's centres is a provincial responsibility but in some provinces, like my own, the province does not participate. Consequently the budgetary decision to cut core funding for women's centres has left centres such as the Second Storey Centre in Bridgewater in the lurch.

What measures is the minister prepared to take to ensure that women's centres which are providing valuable, important and essential services for Nova Scotians do not have to close their doors?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I indeed have recognized the importance of the women's centres and have also indicated the important role they are playing and will continue to play in our community. The program funding is available and I have encouraged groups to start completing applications which we said we would fast track and even help to complete.

I might say that the Second Story Women's Centre in Bridgewater did complete an application, and submitted it on Tuesday. It was approved yesterday and the cheque will be ready today.

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[*Translation*]

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is directed to the Parliamentary Secretary to the Minister of the Environment and concerns the need for an environmental assessment of the construction plans for a coal-fired power station at Point Aconi, Nova Scotia.

The Minister of the Environment and the Minister of Fisheries and Oceans both said no to a similar request for the Oldman River Dam, and the courts told them they were wrong.

This time, will the Minister order a public environmental investigation so that the project can then proceed without damage to the environment and without the chance that it might be stoped half-way, wasting several million dollars?

Will the Minister finally decide to protect the environment?

[*English*]

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, as a result of the very significant Oldman River dam decision, Environment Canada officials are very closely investigating a number of projects which are under way or have been proposed in recent months. As a result of those preliminary investigations it does appear as if the EARP process might well apply to the Point Aconi project because of possible fishery impact. But it is too soon at this time to give a definitive answer.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is over three weeks since the Oldman River dam decision, when the courts clearly told the government what its responsibility is. What is there to question when tonnes of carbon dioxide will be going into the atmosphere? The government likes to brag about conferences, protocols and leadership, but when it comes to action, the Minister of Energy, Mines and Resources is waiting for someone else to go first.

The world's climate cannot wait for this "after you, Alphonse" routine. Will the Minister stop side-stepping his legal and moral responsibilities and get on with an environmental assessment immediately? What more thought is needed?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, as the hon. member has indicated, the decision with respect to the Oldman came down about three weeks ago. That decision, of course, was contrary to an earlier decision of the Federal Court.

In addition, Mr. Speaker, as most hon. members know, the province of Alberta has given indication of its intent to apply for leave to the Supreme Court to appeal. In the meantime, departmental officials in conjunction with other related departments, as I have already said, have been very closely investigating not only how we should respond to the Oldman, which I think is an appropriate deliberation on our part, but how we should also respond to each and every other project which has been proposed within the country that might have implications for the federal government.

We are doing that and those decisions will be announced in due course.

* * *

ENERGY

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. The minister was quoted last week as saying he would take steps to protect the environment but only if they were, in his words, "doable".

There are many alternative energy conservation measures which help the environment which have proven effective in Canada, Japan and Europe.

Why does his government continue to cut back on alternative energy and conservation programs?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I find it interesting that the hon. member would suggest that as a society we can only do those things that are doable within the balance that has to be made, which is the environmental considerations as well as economics.

I think we must keep in mind that development is part of that phrase, "sustainable development".

We had a task force study since 1988, following the Toronto conference, looking at CO_2 emissions. The task force study clearly pointed out for example, that we could not meet that 20 per cent target if we also factored in growth. That task force report was released.

I have said as well that according to the best studies we have, energy efficiency, which has to become part of the action plan of the Department of the Environment, and we are working with that department, can reduce CO_2.

Our best projections at the present time are about 2 or 3 per cent of the 20 per cent that could be met through that way.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my supplementary is to the same minister. Alternative energy and conservation programs are very popular with Canadians. They protect the environment and they must be given a higher priority than this government has been giving them.

Why does the minister not listen to Canadians when it is clear that they want more, not less money spent on alternative energy and conservation?

• (1450)

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I already pointed out that an energy efficiency program will be incorporated into the environmental action plan. I will not hesitate to say to the hon. member again that I will not spend money and I am not spending money on the kind of programs that came out of the National Energy Program where there was money spent but very little return in terms of either alternate energy or reduction of CO_2. That is why we are changing that policy.

I also point out to the hon. member that if one takes a look at alternate energy, for example in her own

province of Prince Edward Island, there is a program relating to biomass and the commercialization which we have done.

Second, in Alberta, the MDIP program, $28 million, for instance to convert to natural gas and motive fuels, or in British Columbia, for two-cycle engines for highway transport trucks or transit buses, which we are doing in Vancouver, or rapid fueling for example where we can now fuel a bus in four or five minutes. There is the home demonstration demonstration project where a person can—

Some Hon. Members: Order.

Mr. Speaker: The minister has a lot of examples.

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AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, my question is directed to the acting Minister of Agriculture. Agriculture Canada predicts that farm income across the prairies will drop by some 63 per cent this year. At the same time it states that this government's support for agriculture will be cut by 57 per cent.

Given the fact that 25 per cent of farming families are in some stage of bankruptcy, that spring seeding is about to commence, and given the fact that the new federal agricultural program is nothing more than a carrot that is being dangled in front of farmers and provincial governments, will this government make a real commitment to agriculture this year, or is it simply admitting that farming families in rural communities have been cut off, written off and forgotten by this government?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, there is no way we are writing off the farmers. I think that the farmers realize that we are there with them and will stand with them through the difficulties they have had.

As was mentioned in an earlier question about the $21 billion that had been sent to farmers in the past few years, we are there again. We offered a package of $500 million last week to be matched by the provinces. We will stand firm with that. I believe the farmers of this country will respond and do well this year.

I have to mention as well that last November or December, predictions were made about the farm income. Since that time new projections have increased farm income for 1990 by around $200 million. The seed has not been taken out of the bins yet, is not in the ground, and there are all kinds of opportunities for those things to change before this year is out.

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TRANSPORTATION OF DANGEROUS GOODS

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is to the Minister of National Revenue. A U.S. barge company has announced plans to ship dangerous chemicals from Detroit to Windsor. Will the minister confirm that in fact his ministry is not prepared to make a decision to provide customs officers to this proposal and is he also prepared to make a commitment that no such decision will be taken until such time as the environmental concerns that have been raised by the city of Windsor are fully dealt with?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I can confirm that there have been discussions with BTI Barge Operations in Windsor for the possibility of the transportation of goods between Detroit and Windsor. But I want to assure the hon. member and all members of this House of Commons that absolutely no approval will be even considered unless and until all approvals are accepted and run through health, safety and environmental concerns. In other words, every element of health, every element of safety, and every element of the environment must be satisfied even before consideration will be given to the issuance of a licence.

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[*Translation*]

OFFICIAL LANGUAGES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the President of the Treasury Board. I would like to get back to the regulations of the Official Languages Act. Once the regulations are tabled, they will of course have to be considered by this House or by a committee of the House, before they are published in the Canada Gazette, a process that will probably take several months from the date of tabling. Since this government has abdicated its leadership and is aggravating the language crisis through its failure to act, I want to ask the Minister whether its

inaction is caused by the fact that the government is afraid explain to Canadians how the new legislation will be implemented. Is the Government really afraid to explain to Canadians how the Official Languages Act will be enforced in Canada?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, as I told the hon. member during our last two question periods, we simply want to observe the letter and the intent of Bill C–72, which requires consultation with all language groups in this country, and that is why we need this period of time before the regulations are tabled. A few consultations have yet to take place, and subsequently, the government will table the regulations and follow the procedure provided under Bill C–72.

[*English*]

Mr. Jean–Robert Gauthier (Ottawa—Vanier): Canada's major official language groups told us that the consultation process had been finished last Christmas. The Commissioner of Official Languages also expected that process to have terminated last Christmas. I am following the promise made by the minister last year that we would, indeed, have these regulations by Christmas.

After close to two years of negotiations, either the President of the Treasury Board is the all–time expert in delaying tactics or simply a bad negotiator, which I do not believe he is.

Will he now admit that his round of consultation is a sham set up to kill time? Indeed, why is the government taking all this time? The consultations are over. Why are we not given the regulations as agreed?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, first the hon. member should note that consultations began early fall, last September as a matter of fact, following the period that was required to draw up a draft set of regulations. We went through the consultations with minority groups throughout the country from coast to coast. Those were completed in late fall.

Obviously, if we are going to consult, it presumes that we are going to listen. If we listen, it presumes that we make some changes. Following that, some of the groups asked for a second round. Not all of the groups, but some of the groups asked that we consult with them when the new draft regulations were completed. That is what we are prepared to do. As soon as that is completed, we will table the regulations in this House and follow the process set out by Bill C–72. We are following the wishes of this House.

* * *

HOUSING

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Minister of State for Housing. A Winnipeg contractor has been on a hunger strike for eight days. The contractor, Helmut Klug, is locked in a dispute with the federal government stemming from a housing project on a northern Manitoba Indian reserve. In short, Mr. Klug built some 40 houses and he has not been fully paid. Given the gravity of the situation, I want to ask the minister whether he is now prepared to settle this issue once and for all.

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, the contractor, Mr. Klug, referred to by the hon. member, has contracted with an Indian band. The federal government is involved in a peripheral way through the Department of Indian Affairs and Northern Development and through Canada Mortgage and Housing Corporation. The contracts involve not only housing, but also include contracts for projects for a sewing factory, medical centre, a band office and other things. The matter is currently under discussion with federal government officials, discussing the matter with Mr. Klug.

I might say as well that the matter is presently before the courts.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, the situation has dragged on far too long. I cannot imagine what the government is concerned about. Now we have a situation where a man's health is at risk, and perhaps his life.

Is the minister prepared to ask for a review of this matter and to find a solution that is fair to all parties involved?

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, the matter has been under review for a considerable length of time. The matter is before the courts

presently, and there are discussions going on between Mr. Klug and government officials at the present time.

* * *

• (1500)

HEALTH

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, yesterday, when the Minister of National Health and Welfare responded to questions regarding the safety of the Meme breast implant, about which serious questions have been raised, he twice said:

> Statistics show that the failure rate among the Meme breast implants is considerably lower than among every other silicone breast implant.

As a recovered breast cancer victim and patient who has had a silicone implant, I want to ask the minister on behalf of the one in ten Canadian women who will face breast cancer and possibly face the very difficult choice of having a breast implant, could he please tell us definitively that silicone breast implants are safe?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows, when Dr. Carolyn Kerrigan did a study for the department last year, one of the things she said was this:

> There is an urgent need for controlled experimental studies of breast implants to address countless issues regarding their usage. Mandatory information concerning implant composition, degradation, excretion, placement, contracture, infection and others must be determined on a clinically applicable animal model.

The FDA in the United States is doing continuing research with regard to all implants. We are also paying for work to be done in Canada as well.

We will undertake to make every possible effort to ensure that any implant, whether breast implants or other surgical devices, is safe and efficacious before being implanted in Canadians.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, am I to believe then, as a result of the kinds of answers we had yesterday and today, that Canadian women are being used in place of animals for testing implants?

The minister should be aware of the fear he has created by raising and coupling silicone implants with the Meme implant.

He should also be aware that there is a difference between failure and danger. The Meme implant, we are being told, is in fact possibly carcinogenic.

Women who have faced cancer do not need the fear of possibly facing it again as a result of part of the corrective surgery.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I think it is important that the House understand who is raising these fears, and who is suggesting that there is a danger to Canadian women.

It is not I who is suggesting that. It is her colleague who is sitting directly in front of her.

It was her colleague who held a press conference on Monday in which he gave out information. My department to date in looking at his material has found over 20 instances where that information is incorrect.

I offered to give the hon. gentleman a full briefing where all the questions that he had could be answered. Typically, the hon. member did not ask for it first. We had to offer it to him. He has agreed, finally, to have it. I would even indicate to the hon. member as well that she would be welcome to attend as well.

We are confident in the safety of these devices. Instead of raising concerns among Canadian women, and creating false fears, let us work together to get information. Let us have accurate information. Let us not create false fears among women.

Ms. Langan: Then you should be accurate in the House.

* * *

[*Translation*]

CHEMICAL WEAPONS

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is directed to the Secretary of State for External Affairs.

Canada cannot afford to remain silent when faced with the threat of proliferation and excessive use of chemical weapons in the world. More specifically, the threats by Iraq against Israel are very disturbing and reflect a situation that Canada cannot condone.

Yesterday, in answer to a question on this topic, the minister's parliamentary secretary said:

—this is a point that I will bring to the attention of the Secretary of State for External Affairs because I think the leadership role that Canada can play in this, as the hon. member suggests, is very timely and important and the Government of Canada would like to do that.

Could the minister tell the House today what exactly Canada's role will be?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I was able to talk to my parliamentary secretary as soon as I got back from Montreal yesterday, and I also gave our officials certain instructions.

First, we believe that for the time being, it would be more effective for us to pursue the general question within the context of the Geneva talks on chemical weapons, which we are doing now.

I will continue to look at this question, and as soon as we can usefully raise the matter in the UN Security Council, we will do so.

Third, today I have given instructions that Canada's ambassador in Iraq be called to my department so that we can inform him of our concern about the statement by the President of Iraq.

Mr. Speaker: I am sorry, but the time for oral question period has expired.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have a question, the one the House leader is usually asked on Thursday. I would direct it to the Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House, who is still our Deputy Speaker. I would like to know what is on the government's legislative agenda for the coming days until next Wednesday, when we break for Easter. Could he tell us the government's legislative program?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Mr. Speaker, I am pleased to tell my hon. friend that tomorrow will be a supply day. On Monday and Tuesday, the government intends to proceed with Bill C-62. As for Wednesday, we will continue our consultations with my hon. friend and the hon. member for Kamloops and we will tell the House once we have reached a decision.

[*English*]

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

I understand that the Speaker is prepared to hear further points of order relating to the matter brought before the House this Tuesday by the hon. minister—

Mr. Speaker: I should make it very clear that I will hear not further points of order, but further argument. I know the hon. member would want to understand that distinction.

Mr. Boudria: Thank you for correcting me, Mr. Speaker. Obviously, what I want to do is bring a number of further arguments very briefly—

[*Translation*]

Mr. Speaker: I am very sorry to interrupt the hon. member, but the hon. member for Saskatoon—Clark's Crossing is raising a question of privilege.

* * *

[*English*]

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I rise on a point of privilege stemming from the comments made by the Minister of National Health and Welfare yesterday in response to my question regarding the Meme breast implant.

In response to my question the minister made two comments which attacked my motives and—

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

Traditionally, when a point of privilege is raised we ask that the people involved be here. Unfortunately, we did not have any notice of this particular question of privilege, and I am afraid the Minister of Health is not here. Perhaps it could be set off until we can arrange for his presence.

Mr. Speaker: The hon. parliamentary secretary raises a point which is customary in this place. I wonder if the hon. member for Saskatoon—Clark's Crossing would extend to his colleague, the minister, that courtesy. Perhaps both the minister and the hon. member could liaise through my office and we could arrange to have the matter heard at the earliest convenience to both the

member who has properly filed his notice and to the minister.

Is it agreed?

Mr. Axworthy (Saskatoon—Clark's Crossing): Yes, Mr. Speaker. I apologize for not informing the minister. I do not think my office did that and I will be happy to do as Your Honour suggests.

Mr. Speaker: I appreciate very much the courtesy the hon. member has extended.

An Hon. Member: The minister is here now.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I apologize to the minister for not notifying him of my intention to raise this point of privilege, and I appreciate his coming back into the House to address it.

The point arises from comments that the minister made yesterday in response to my question regarding the Meme breast implant. In response to my question the minister made two comments which attacked my motives in raising this issue. In addition, he made statements which were misleading in themselves.

The hon. minister accused me of making false allegations. I hope you will permit me the opportunity, Mr. Speaker, to point out why the minister wrongly characterized my statements as being false allegations.

Studies at both the University of Florida and Laval University indicate that the foam covering the implant breaks down within the body producing a carcinogenic compound.

• (1510)

Mr. Speaker: I listened very carefully to the exchange yesterday. In fact I have it in front of me.

The hon. minister said that the allegations made by the member who was questioning him were false. Those statements did not carry with them the suggestion that they were intentionally false or dishonest, that they were wrong or incorrect. That happens very often in exchanges in this House on both sides.

I have to say to the hon. member that unless he has something more serious than that I do not think he can pursue this very far. Certainly, a question of privilege is not a place to get into debate on the relative merits of medical evidence.

I will hear the hon. member further.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I appreciate those comments. Of course it is difficult to respond to an accusation of being false without getting into some of the details, but I am happy not to do that.

The minister also accused me of being irresponsible.

Mr. Speaker: I am sorry. That happens in preambles day after day in this House. The hon. minister may be absolutely wrong, and I am prepared to accept at least *prima facie* the position of the hon. member that he is not irresponsible, but that is getting into debate. It is not a question of privilege.

I do not think I need to call on the minister.

Mr. Beatty: I would love to respond.

* * *

POINT OF ORDER

SENATE AMENDMENTS TO BILL C-21

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I indicated a few minutes ago that I wished to comment briefly on the point of order raised by the Minister of State and Leader of the Government in the House of Commons on Tuesday.

There are two points I would like to raise very briefly in relation to the message from the Senate and the proposed amendments to Bill C-21.

My colleague from Ottawa—Vanier has expressed quite eloquently his opinions as to why the royal recommendation issue is not a valid one to start with, simply because in large measure the amendments proposed by the Senate do not have an impact in the manner in which the minister suggested.

I want to bring one additional point in a somewhat different area of concern. The minister stated in the House as reported at page 10140 of *Hansard* for April 3, 1990:

> Had these amendments come from a member of this House, I am sure that citation 698(5) of Beauchesne's sixth edition would have been invoked to rule them inadmissible. They are clearly contrary to that principle of the bill.

He said as well that the royal recommendation of Bill C-21 was infringed upon by the decision of the Senate. He also backed up these comments based on Erskine May and Beauchesne and referred to the fact that this

was contrary to parliamentary precedents, not only here in Canada but at Westminster as well.

I take exception to those remarks. First, the twenty-first edition of Erskine May states at page 693 the following:

> Unless the recommendation of the Crown enjoined by Standing Order No 46—

—that is the British Standing Order, of course.

> —has been signified, the Speaker cannot propose the question on a motion which comes within the scope of this standing order. Accordingly, if any motion is offered to be moved which requires but fails to receive the Queen's recommendation, it is the duty of the Chair to announce that no question can be proposed on the motion.

Clearly this means that this issue cannot be voted on by this House without having a royal recommendation or, as it is described in Erskine May, a recommendation from the Crown.

If such a recommendation is required, I would suggest that the recommendation would only have to be included with the bill at the time, or prior to us disposing of the question, not as to whether or not the issue can be presented before the House. In any case, the member for Ottawa—Vanier has spoken on the second issue as to whether the recommendation is necessary to start with.

I want to back this point up further by raising the following with the Chair. I have in hand a copy of a bill presented in the British House of Commons, entitled, The Rights of Way, Agricultural Land Bill. This is a private member's bill, introduced and passed at second reading in the British House of Commons. I am prepared to table this bill with the Chair.

Indeed, the bill does spend public money. It states: "There shall be paid out of moneys provided by Parliament any increase attributable to the provisions of this act," and so on. This section of the bill is written in italics. I am informed by an officer of the British House of Commons, namely, Mr. William McKay, the Clerk of Journals, that the precedent used in the British House of Commons is that this bill could only be passed at third reading if accompanied by such a royal recommendation.

It does not prevent the introduction of the bill. It does not prevent the bill being debated at second reading, or in committee, oranywhere else,s ave and except the completion of the debate at third reading and then the subsequent taking of the vote.

The minister said earlier that the precedents in both Canada and Britain would stop a private member from proposing an amendment that spends money. Of course a private member cannot initiate a tax. Of course a private member cannot present a budget, and so on. That is well known and not at issue here.

What is at issue is whether or not a bill or an amendment proposed even by a private member of this House could be dealt with by this House if it has as an incidence, rather than a cause, the expenditure of certain funds.

Clearly, the precedents that the minister has used to back up his argument are wrong. I have proven it here, I believe, with this private members' bill, which I will table with the Clerk or present to the Speaker, if he wants a copy of it.

Therefore, what the minister has invoked is inappropriate in my view.

Second, and I do not intend to repeat the comments of my hon. colleague, the hon. member for Ottawa—Vanier, a clear case has not been made anyhow as to whether a royal recommendation would be necessary to start with. Even if it were, I suggest that that in itself should not be grounds for the House denying consideration of these amendments offered to us by the Senate.

It could be that in its final judgment the government will decide that it does not wish to provide such an accompanying royal recommendation if, again, one is required, which has not been established. If it decides that, that is its prerogative. The government can state that, if it is its wish, but it should not state that it is contrary to the rules for the Senate to at least present its case before this Parliament.

Those are the few points that I wanted to make. I hope that the Chair will consider this argument, as well as the one which has been presented by my colleague, the hon. member for Ottawa—Vanier. I am sure other comments will be brought to the attention of the Chair by other hon. members this afternoon.

In summary, I do not think that the government has so far presented the Chair with a case which would lead the Chair to conclude otherwise than that these amendments are perfectly in order and can be considered by the House. If the House later decides to defeat the amendments, then the House can deal with the fact that

perhaps it will get no legislation at all. That is for the House to decide. In any case that should not prevent us from at least considering the amendments proposed to us by our colleagues in the other place.

• (1520)

Mr. Speaker: If I may assist hon. members, I will hear the rest of the argument from the Official Opposition. I will hear the hon. member for Kingston and the Islands, then I will move to my hon. colleague who I know is going to present some wrap-up arguments for the New Democratic Party in the absence of the hon. member for Kamloops.

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

Mr. Speaker: The hon. parliamentary secretary on a point of order.

Mr. Cooper: Mr. Speaker, may I also indicate that I would like to add at some point five or six minutes' worth of comments.

Mr. Speaker: Perhaps in carrying on in the usual tradition, I could call on the parliamentary secretary after arguments are completed.

Mr. Gauthier: On a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, I gave you notice yesterday that I wanted to add some brief comments.

Mr. Cooper: Again?

Mr. Gauthier: No more than you will do, but just as many.

Mr. Speaker: I thought yesterday I got the point. I will hear the hon. member for Ottawa—Vanier first.

Mr. Milliken: I think he is prepared to let me go ahead, Your Honour.

Mr. Speaker: The Speaker is much helped by the agreement between colleagues in the Official Opposition. The hon. member for Kingston and the Islands.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I would like to comment on the points that have been raised by the government House leader. I may say that it has been helpful to have an opportunity to review the comments he made because he referred to so many authorities in his speech the other day. I thought that I was going to have to spend hours reviewing them to find out exactly what point he was—

Mr. Speaker: Despite what the hon. member may have thought, I hope he has managed to adjust his thinking for this afternoon. I am sure the Speaker does not need to hear a commentary on all those authorities.

Mr. Milliken: That is the point of my comments, Mr. Speaker. I think that the member got carried away. I find it hard to believe that he read all the authorities, not because he could not have done so in the time he had available, but because if he had read them, he would not have cited them in support of the arguments he was putting forward, in my view.

There are basically five points I would like to make to Your Honour in connection with the arguments he made. First, there is the question of the point of order. I want to stress the general rule that a point of order in this House must be raised at the earliest possible opportunity. In support of that I rely on citation 321 of Beauchesne's sixth edition, which reads as follows:

> 321. A point of order against procedure must be raised promptly and before the question has passed to a stage at which the objection would be out of place.

I suggest to you, Mr. Speaker, in this case the Senate message rejecting this bill and suggesting amendments to it was sent back to this House.

On March 12 the government moved a motion rejecting certain of the amendments and accepting certain other of the amendments and stating for all the world to read what the government believed were the principles of the bill. I will come to that later.

That resolution was debated for two days in this House. The government invoked closure on March 13, when it was passed and the message was sent back to the Senate.

If the amendments that were proposed by the Senate were out of order at that time, I submit that it was the duty of the leader of the government in this House, to stand on his feet and object to those amendments.

Indeed, being a modest man, I am very reluctant to quote my own words. But on March 13, in the course of my contribution to the debate, I said exactly that. I know

Your Honour will have read these words, but I refer the Chair to page 9247 of *Hansard* where it states:

> I suggest that any member of this House could have moved any of the amendments that have come down to this House from the Senate. We could have moved them at any stage on this bill, and they would have been in order. The government House leader knows that full well.

And he did. He had a choice. He could have proceeded at that time with his resolution and message to the Senate, or he could have argued before Your Honour that these amendments were out of order and asked Your Honour to kill this bill. Yet he did not do it. He chose to take his chances and move the resolution that he did on March 12 and then force it through the House with his substantial majority on March 13.

It seems to me, having taken that step, it was not open to him, given the rule in Beauchesne that a point of order must be raised promptly and at the earliest opportunity, to raise that point the day before yesterday.

The second point is that in effect the House has already made a decision that in fact these amendments are in order. If they were out of order, they had to be out of order before the House adopted a resolution relating to those amendments. Yet on March 13 I believe the minister himself was here and voting. He voted for this resolution which, admittedly, condemned the amendments, but it accepted certain ones and agreed in principle with certain others. Now he is trying to in effect have his cake and eat it too.

Mr. Cooper: We always do that.

Mr. Milliken: As the parliamentary secretary says, that is the government's continual effort.

That is what happened. There was the minister getting his majority to vote in favour of a resolution to approve certain of these amendments and to deny certain others. Having already voted on this issue the House has made its decision. In so far as this House is concerned, the amendments must be in order. If they were out of order, we should never have had that vote.

If they were out of order, and the House leader believed them to be out of order, and if he believes what he says now—and I invited him to do this on March 13 before the vote—then he had plenty of opportunity to make this argument. He chose to allow the House to come to a decision on those amendments.

Now he says: "Boy, we won the vote in the House. We have lost it in the other place. Now I want the House to in effect do something it should have done before, that is, rule these amendments out of order," for whatever good that is going to do. I will come to that in a moment.

That is the second argument, and I suggest he is wrong on both those counts.

The question that arises is this. What does the government House leader really want Your Honour to do? That is not clear. He gives reasons why he thinks this is a valid point of order. But does he want Your Honour to say that these amendments are out of order and thereby kill this bill? Or does he want Your Honour to say that the Senate cannot do this and send some kind of message to the Senate?

What is the purpose of this point of order? I think with respect, what Your Honour must look at is the situation that has already obtained in this case. The question of the propriety of these amendments, having regard to the Constitution Act, was argued in the Senate. The Speaker of the other place rendered a decision on those arguments.

Hon. Senators representing the government in the other place stood up and argued before the Speaker of the other place that certain of the amendments proposed by the Senate committee that considered Bill C–21 place were out of order—the very ones that the government House Leader now says are out of order.

The members argued the point in the Senate. There was an extended debate. At the conclusion of the debate the Speaker of the Senate handed down a ruling.

What did he say? Did he say those amendments were out of order? He said that two of them were, which is my recollection of that ruling. Those two were struck out. They could not be presented to this House. But he ruled that all the others were in order.

Can you imagine, Mr. Speaker, how ridiculous our Parliament would appear in the eyes of other Parliaments in the Commonwealth if we had the Speaker of one of the Houses saying that these are proper under our Constitution and the Speaker of the other House saying that they are not proper? Surely, the Constitution is the

Constitution. Surely, a legal argument is a legal argument. A legal argument won, I would have thought, in one court is therefore a valid legal argument in all courts.

We do have a doctrine of precedents. I realize that Your Honour, the Speaker of the House of Commons, is not bound by decisions of the Speaker in the other place, but surely they have to be given some weight. Surely, when the point has been argued by learned Senators who know what they are talking about, who have sat in this House—

Some Hon. Members: Oh, oh!

Mr. Milliken: My hon. friends opposite would do well to heed the advice of Senator MacEachen from time to time. But that is a matter for them, Mr. Speaker.

Those Senators have served in this House. They know the rules of Parliament. They know the rules of the Constitution. They know the powers under Section 53 of the Constitution. They argued persuasively that these amendments were in order, and I submit that their arguments were correct. The government House leader is trying to bring Parliament into disrepute by having the Houses at odds in so far as rulings from the Chair and interpretations of the Constitution are concerned. I submit that is not the way it ought to be.

• (1530)

I would like to refer Your Honour to what the procedure ought to be in this case. The government House leader should know this, but he is new and perhaps a little lesson or two would be helpful to him.

Mr. Cooper: From a member who has been in this House untold years!

Mr. Milliken: As I say, the government House leader is new in his position. The government House leader may have a proven ability on how to make the Post Office make money, but in terms of making this House operate efficiently the jury is way out.

I want to refer the parliamentary secretary and Your Honour to page 216 of Beauchesne's Sixth Edition. There is a section headed "Intercourse Between the two Houses". I would recommend that the parliamentary secretary and the government House leader look at it, because it refers to the practice of having conferences, free conferences and otherwise.

The position now is that if the government does not like what the other place has done to this bill, it has an obligation. It can come to this House and ask us to establish a conference, appointing members to have a conference with the other place, a meeting of managers, in accordance with the rules. I submit that that is the procedure that should be adopted.

Mr. Speaker: I have been noting very carefully what the hon. member says. There is an arrangement, hallowed by custom, between this place and the other place, but that is not the point the hon. House leader raised.

The point he raised is that one way or another the other place has dealt with this bill in a way which is not appropriate and as a result certain consequences flow. I want to hon. member to confine his remarks to that problem, and I know he would appreciate my suggestion that perhaps he could bring his remarks to a close soon.

Mr. Milliken: Mr. Speaker, of course I accept your admonition. I was simply, on the way by, seeking to help out my hon. friend.

As reported on page 10143 of *Hansard* for Tuesday, the House leader indicated he had two reasons for objecting and asking Your Honour to rule these amendments out of order. The two reasons were:

> First, it provides for an alternate scheme to that proposed with the Royal recommendation. Second, it infringes on the financial initiative of the Crown by establishing payment from the CRF which was explicitly withdrawn in the 1989 budget approved by this House.

I would like to deal with those arguments because in my submission they are fallacious. First, I would like to deal with the question of whether or not the Senate amendments upset the principle of this bill. The difficulty the minister faces, I submit, is that Beauchesne's defines principle of a bill, and the government is bound by what is already introduced as part of the principle of a bill. I will come back to that one in a moment.

The government House leader is attempting to rewrite the authorities when he defines principles the way he does. He also did it on March 12 when he wrote into the resolution adopted by this House what the principles of this bill were. If Your Honour looks at page 9098 of *Hansard*, you will see that three principles were enunciated as being the principles of this bill. I submit they are not evident from reading the bill itself. Indeed it is contrary to Beauchesne's for him to suggest that those are principles of this bill.

The references in Beauchesne's are quite clear. I refer Your Honour to citation 671(4) of Beauchesne's which states:

> An amendment which amounts to no more than a direct negation of the principle of a bill is open to objection.

I submit that these amendments do not in fact change the principle of this bill.

I could cite extensively from Beauchesne. The government House leader referred to several, but I would refer to some others. Citation 698(5) of the sixth edition refers to amendments in committee. It states:

> An amendment which is equivalent to a negative of the bill, or which would reverse the principle of the bill as agreed to at the second reading stage is not admissible.

In other words, Beauchesne's consistently speaks of the principle of the bill, not principles, Mr. Speaker, and I submit that there is a significant difference. The government House leader has argued that somehow this bill has more than one principle and that the Senate, in dealing with these amendments, has changed those principles.

I would refer Your Honour to what constitutes the principle or object of a bill and again Beauchesne's Sixth Edition, citation 689(3), provides an answer. It states:

> The objects (also referred to as the principle or scope) of a bill are stated in its long title, which should cover everything contained in the bill as it was introduced. Amendments, however, are not necessarily limited by the title of the bill.

If Your Honour looks at the title of this bill, you will see that it is an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act. All the amendments proposed by the Senate to this bill affect those very same acts.

In other words, the principle of the bill was a series of amendments to these acts and I submit that the Senate amendments are amendments to the same acts and therefore are within the principle of the bill as defined in Beauchesne's, as defined in the authorities in this House.

I think the government House leader is seeking to rewrite the principles in his resolution and then transpose that argument from March 12 and his resolution of that day to his argument of April 3 on the point of order. I submit that he is not permitted to do that.

The second argument along the same line is whether or not the bill impinges on the royal recommendation. I have already submitted an argument to Your Honour on the necessity for royal recommendations on government bills. I have argued it specifically in relation to a bill arising out of this year's budget and, had I reviewed Bill C-21 with sufficient care before second reading of that bill, I could have argued the same point.

I would like to touch on a simple case. What is the effect of the royal recommendations? Suppose, Mr. Speaker, the government introduced in this House this year a bill to pay Mr. Broadbent a salary of $50,000. Suppose it had to be done by legislation and a bill was introduced that provided for a salary for Mr. Broadbent of $50,000. Would that bill require—

Mr. Speaker: Maybe we could use some other name. This might cause some embarrassment to our former colleague.

Mr. Milliken: I will use Mr. Jones. I was only referring to him because I know he is now working there and no bill was required for that. However, I will go with Mr. Jones.

Mr. Jones is to be paid a salary of $50,000. The government introduces a bill to do it. Is the bill one that requires a Royal recommendation, Your Honour? I think the answer is yes because it provides for a charge on the Consolidated Revenue Fund of Canada.

Suppose that bill has passed, it has been adopted, it is part of the law, and the government wants to change it. It brings in another bill to reduce Mr. Jones' salary to $25,000. Does that bill require a Royal recommendation? No, it does not. The reason it does not, in my submission, is because it reduces the charge on the Consolidated Revenue Fund of Canada. There is no increase so it does not need a Royal recommendation and any member of this House, therefore, could introduce such a bill.

Suppose, in the course of consideration of that bill, there was an amendment proposed to increase the salary from $25,000 to $40,000. Would such an amendment require a royal recommendation? No. My submission is that the answer is clearly no, because there is no additional charge on the Consolidated Revenue Fund. It would be the same as introducing a bill to reduce it to

$40,000. It is simply amending a bill that provides for a reduced charge and staying within the terms of the original royal recommendation.

If the Crown originally recommended a charge of $50,000 as being proper on the Consolidated Revenue Fund, it can hardly balk if this House chooses to ignore that recommendation and fix the charge at some lesser amount because this House controls the purse strings, this House controls how much can go out, subject to the Royal recommendation.

We cannot spend without Royal recommendation, but having got an authorized limit we can reduce that amount. We can fix it at a lower amount. We do not have to agree with the Royal recommendation. We can choose to authorize less. We can choose to pay less. We can choose to tax less. That is the option this House has always had; it has had it for hundreds of years.

• (1540)

I submit that an amendment to increase the salary from $25,000 to $40,000 in the amending bill would be in order. Would it be in order to increase it to $60,000? No, I think it would not. My answer is clearly no, because that would infringe the Royal prerogative. It would increase the charge on the Consolidated Revenue Fund to beyond that encompassed in the original Royal recommendation.

It is precisely that argument, which I hope has been clear to the parliamentary secretary, that must apply to this unemployment insurance bill, Bill C–21. The Senate considered this matter carefully in its report No. 9 of the Senate finance committee to which the government House Leader referred Your Honour and to which I invited Your Honour to have regard in my argument the other day on royal recommendations.

The thrust of that report was very clear, that where there is no increase in the charge on the Consolidated Revenue Fund it is within the power of the other place, or a private member in this House, to introduce amendments to bills before this House whether or not there is a royal recommendation attached to them.

My whole purpose in arguing that there was no need for a Royal recommendation in respect to the other bill was that these bills provided for a reduction in the charges on the Consolidated Revenue Fund.

It is a very simple argument but it seems to me fundamental, because if the private members of this House are not able to move amendments to these bills which do stay within the scope of the original royal recommendation, I submit that by putting these royal recommendations on the government is saying: "You are not allowed to make any amendments because this bill has a royal recommendation". That is exactly what the government House leader was saying in his argument the other day. As reported on page 10143 of *Hansard*, he said the following:

> It is the duty of members to protect the the rights and responsibilities accorded to this House, not only by the Constitution Act and our Standing Orders, but by centuries of parliamentary procedure and rulings which have given financial responsibility to the House of Commons.

He suggested that we had to suspend Standing Order 80 and so on in order to deal with these amendments. I suggest that that is just inaccurate and unbelievable. I find it hard to imagine that he would put that argument.

The second last argument I have to make deals with section 53 of the Constitution Act. The act provides, as Your Honour knows, as follows: "Bills for appropriating any part of the public revenue or for imposing any tax or impost shall originate in the House of Commons".

I stress the word "originate", because in his debate on March 12 the government House leader argued that a bill which was amended in the Senate could not be seen as having originated in this House, that somehow the amendments originated in the Senate, and that therefore it was contrary to section 53 of the Constitution Act. I hope I am not misrepresenting his argument, but that is what it seemed to me he was saying.

What I would like to argue is the interpretation of the word "originate" in section 53, because I think the drafters of the legislation chose those words extremely carefully. Many bills can originate in either House. Bills can be introduced in the other place; bills can be introduced in this House. In that sense bills originate in one place or the other.

However, certain bills can only be brought before Parliament in this House because there is an initial step. That initial step has now been abolished under our rules, so we tend to forget what went on, but the initial step for money bills was always a decision of a committee of this House. In other words, every money bill had to be

brought before a committee before it could be introduced in the House of Commons.

I ask Your Honour to cast your mind back. Every tax bill had to be introduced in the committee of Ways and Means. Every bill for appropriating money from the Consolidated Revenue Fund had to be introduced in committee of supply, every government money bill which had a royal recommendation attached—and I am using the words "money bill" loosely—and every bill which imposed a charge on the Consolidated Revenue Fund but did not grant money out of it, such as the unemployment insurance bill when it was originally introduced, came first through a resolution in committee of the whole.

We have abolished committees of the whole; we have abolished committee of supply; and we have abolished committee of Ways and Means. Before every money bill is introduced—except now under the new procedure, but certainly in Ways and Means and supply—there is a resolution of the House adopted and there is no leave sought in the House to introduce. The bill originates in the House because it comes to the House by a different route. It comes through a committee and then to the House.

That was the standard procedure when the British North America Act was drafted. What we have here is a situation where the framers of the act said that bills for appropriating any part of the public revenue or for imposing a tax shall originate in the House of Commons. It did not say they shall be introduced in. It said: "They shall originate".

Mr. Speaker: I am listening carefully to the hon. member. I know he would not want to extend his argument more than a moment or two longer.

However, as I understood the hon. minister the other day, basically he is saying that this bill, which admittedly was an amendment to an existing bill—and I do not ask the hon. member to get into an argument about that—cut the funding from the Treasury of Canada to the unemployment insurance fund. In other words, it made the fund self-funding as a consequence of charges, not on the Treasury any more, but charges directly against the employer and the employee.

As I understand the basic thrust of the Senate's response, it was at least in part to put back a responsibility of the Treasury as a guarantor or a partial funding of that fund.

I am taking no position in the argument. It seems to me that this is the nub of it. Is the Senate in this case trying to go beyond the bill, which admittedly was an amendment, and on its own come back here with the suggestion that we should put in place a charge which this House took away?

I know the hon. member will realize that in the interests of other business in this House we cannot continue this too long, but I put that point.

Mr. Milliken: Mr. Speaker, if we go back to my argument before, if a bill is introduced in this House to reduce Mr. Jones' salary from $50,000 to $25,000, the charge has been reduced. I am suggesting to Your Honour that a private member, I or any member of the opposition, or any back-bench member of the government, could move an amendment to that bill to increase the amount to $40,000. As long as it was within the original amount, then it could be increased.

What I am saying in this case, Your Honour, is that in each of the amendments to which the government House leader objects, the other place has provided for amendments that will increase the amount to something less than they were before, but not more than they were before.

Mr. Speaker: I understand the hon. member. I know that he understands the issue here, and so does the Chair.

The question is: Is the Senate in a position where it is increasing a charge that this House has taken away, whether or not the bill to which the amendment applies would allow it? There may be precedents on that exact point and, if there are, I would certainly like to know where they are.

Mr. Milliken: Mr. Speaker, this House cannot take away charges on the public revenue of its own. Charges on the public revenue are taken away not just by this House, but by Parliament. It requires three steps before charges can be taken away from the public revenue.

• (1550)

Mr. Speaker: I am completely with the hon. member on that. This House, though, initiates a bill to take away

the charges. If it goes to the other place and the charges are put back partially or in some form, is that not an initiative of the other place which increases the expenditure that had been considered in this place?

Mr. Milliken: It may increase the expenditure which has been considered in this place, but the original expenditure was authorized by an act of Parliament. In other words, the act of this House, the act of the other place, and the Royal Assent of the Crown. All three of those elements had to combine in order for that expenditure originally to be authorized. I submit that what we are involved in here is not one House in the legislative process but all three elements, and what is required before we can change the order of expenditure authorized by that original bill is another act of Parliament.

The Constitution Act does not give this House the exclusive right to control expenditures. It does provide that bills for appropriating any part of the public revenue must originate in this House. We have a right to deal with them first. Certainly without a Royal recommendation attached to an authorization for spending, it could not be passed by this House. That much is clear from the Constitution. Sections 53 and 54 provide for that.

If this House receives a bill with or without a Royal recommendation that reduces the charge already there, before that reduction can take effect it must receive the assent of the other place and the Royal Assent. Those are the elements that are required to make that a law. We do not have, as a House, an exclusive right to decide on a new limit that is lower than what has already been authorized by statute. Statute is statute. It is no longer the creature of this House alone. It is the creature of all three elements in Parliament.

The government House leader is saying that once Parliament has enacted a law, if we want to change it we in the House of Commons have the exclusive right to change it, and that is not accurate; that is not the way the law works. An amendment to a statute requires the same thing that the statute itself required: introduction in this House and passage, introduction and passage in the other place, and Royal Assent. It must have all three before it can become law and change the original law.

Mr. Speaker: I am only exchanging views with the hon. member so that I clearly understand his argument. Perhaps the hon. member could wrap up his argument. I think I have the points.

Mr. Milliken: I have only one other point to make, Mr. Speaker.

Mr. Speaker: Very briefly.

Mr. Milliken: Yes, Sir. In order for a point of order to be a valid one in this House, aside from the argument with respect to time limits, it must be one that is raised in relation to the business of the House. We had a spectacle on April 3 of the government House leader raising this point of order when there was nothing before this House for consideration. He has not proposed a motion for a message to the Senate. There is no proceeding before this House. The Senate message has arrived on the table of this House. The Senate insists on certain amendments. That message is sitting on the table of the House. It has never been taken off. Nothing has been done about it, and it happens in the normal course of events.

The government House leader has raised a point, under the guise of a point of order, saying that he wants Your Honour to do something now. I submit that that is a very important principle because if I had stood up on a point of order saying out of the blue that I think, in relation to something that happened down the hall or some other place, I should rise on a point of order and object to it, I think Your Honour would say no, that it has nothing to do with the proceedings in this House.

He has to move a motion, upon which he may then want to make an argument, but it has nothing to do with order, procedure and dealings in this House. The only reason I did not raise this argument at the beginning, Your Honour, is because I thought Your Honour would see it so clearly that you would say that you did not want to hear the rest of my arguments. I have saved it for the end.

Mr. Speaker: There is no way I would ever say that to the hon. member. However I have your point.

Perhaps I could hear briefly from the hon. member for Saskatoon—Clark's Crossing, come back to the hon. member for Ottawa—Vanier and listen to the parliamentary secretary. I am not going to listen very much longer as this has taken up quite some time and I think I have the arguments.

An Hon. Member: It is important.

Mr. Speaker: Yes, it is an important issue and I have the arguments. The hon. member for Saskatoon—Clark's Crossing.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr Speaker, I was intending to be brief. The government House leader raised a number of interesting questions on Tuesday. Specifically he asked for the Chair's guidance on whether or not the Senate amendments were in order, whether they would have been in order if first introduced in the House, and whether the acceptance of the Senate amendments would not constitute a defeat of the original government bill and thus raise a question of confidence.

I would like to reiterate the comments of my party's House leader. I find the logic odd on the part of the government. When the first message came from the Senate, as we have heard, no procedural questions were raised on the floor by the government and the government proceeded to frame its reply, which was then forced through the House on closure.

The question arises then: Can the Speaker find a message from the other place to be out of order? I had not thought it possible for our Chair to assume that responsibility, but if you do, Mr. Speaker, it raises interesting consequential questions.

For example, could the Speaker of the Senate similarly find a message from this place to be out of order? Could a decision of the Speaker of the Senate to find a message from this place in order be overturned by a Senate majority? In other words, by an extension of the logic, the Senate majority could perhaps use procedural manoeuvres to defeat government bills which arrive there.

Second, is it a question of confidence in the government for the House to consider Senate amendments which go against, in the government's view, the principle of a particular bill? Perhaps it is. I would like to support the contentions made by my hon. friend from Kingston and the Islands with regard to the nature of the bill and its relationship to being a money bill. It is not a money bill in the usual sense. It does not raise taxes. It does not increase government expenditures. In fact it does not spend government money. Rather, it is a reduction. Perhaps that is the best way to put it.

If the bill were defeated, could there be a question of confidence in the House? The Senate has defeated bills which were more obviously money bills than is Bill C–21. In fact, I believe it was a Conservative dominated Senate which defeated the first old age pension bill many years ago, but was it a question of confidence in the government? No, Mr. Speaker.

Essentially, I think you will find that the arguments of my hon. friend, the government House leader, are with the other place and not at all with anything which you are empowered to do here in this House. If the government has difficulties with the constitutional powers given the Senate, I would invite it to address those concerns in the normal manner and it may even find support from this side of the House on meaningful Senate reform. My hon. colleague, the government House leader knows well, as do we all, that you as Speaker of our House are not authorized to rule on legal or constitutional matters.

I have a few very short observations. First, it should be well understood that the government has several options before it in replying to the message from the Senate concerning the amendments to the Unemployment Insurance Act. I will just refer to one as you indicated that you did not want to hear a long list of the options the government has.

Of course the government has the option to accept the Senate amendments and need not ask you to rule them out of order in order to save it the embarrassment of voting them down. I would add parenthetically that the Senate amendments reflect the Liberal position on the unemployment insurance bill and are not endorsed by our party.

It should come as no surprise to anyone that under such circumstances as we are finding ourselves in presently with the operation of Parliament Canadians are looking for other avenues to raise their grievances. I think the dilemma facing my hon. colleague is largely of his own government's making. It is incumbent on the government to recognize the seriousness of these circumstances and to respond appropriately. The issue is not to raise unnecessary points of order but to listen to Canadians.

Mr. Speaker: I want to thank the hon. member for succinctly wrapping up the arguments of his party. I know he will extend my compliments to the hon. mem-

ber for Kamloops on his contribution made the other day.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I want to come back to this very important question as to why on March 12 and March 13 the government did not rise and bring to the attention of this House that in its opinion the amendments were out of order.

At that time you will recall, Mr. Speaker, that you or your deputy who presided over much of the debates took no exception to the amendments. There was no point of order brought to the attention of this House at that time.

I want to be very brief here. I quote from Beauchesne's fifth edition, citation 120:

> Foremost among his many responsibilities, the Speaker has a duty to maintain an orderly conduct of debate by repressing disorder when it arises, by refusing to propose the question upon motions and amendments which are irregular, and by calling the attention of the House to bills which are out of order.

• (1600)

Mr. Speaker, now we are doing something which maybe the government should have done prior to March 12. On April 3, I believe, the minister got up on a point of order which I found rather unusual at the time because there was nothing before the House. He rose without notice and started to object to the message, asking the Chair for advice, making allegations about what occurred on March 12 and 13. The message that we are getting now from the Senate is identical to the message we got February last and which we debated here on March 12 and 13.

Mr. Speaker, if you listen to his arguments, the House leader was probably wrong by not raising the point of order then. I would not want him to make it appear that you were wrong, Mr. Speaker, in allowing debate on that motion if today that motion, as he argues, is wrong because we are talking about the same message. If it was wrong in February, it was wrong in March, and it is wrong in April. But that is not the point, Mr. Speaker. The point is that debate was allowed on the motion and on the amendments on March 12 and 13. I participated in that debate. The debate concluded with a vote. The message was then acceptable to this House. Procedures were, in my view, in order and we proceeded with disposition of the message.

I draw attention to Standing Order 13. I want to read it because it is more specific and more explicit than Beauchesne:

> Whenever the Speaker is of the opinion that a motion offered to the House is contrary to the rules and privileges of Parliament, the Speaker shall apprise the House thereof immediately, before putting the question thereon, and quote the Standing Order or authority applicable to the case.

Mr. Speaker, I find it intolerable that the government through its House leader now alleges, at least by implication, that the Speaker failed on March 13 to apply Standing Order 13. The question was put. The motion carried. The House has made a decision. I can hardly see how this House can come back and reflect on a decision of the House.

What was dealt with on March 12 and 13 was in order in the first instance and is now to be found out of order. I would like to know how we can argue that point. What the government is asking is to turn back the clock. I do not have to remind this House of what happened in 1956 when the clock was turned back. I do not have to give any examples, Mr. Speaker, as to what happens then because that is in my view totally unacceptable and will not be, I hope, the result of this debate.

What the government is asking, Mr. Speaker, is for you to make a decision on so-called procedure when indeed we are dealing with a political problem. That is the perilous course of action that this government is putting you into, Mr. Speaker, and I do not think that you will want to reverse proceedings and go back to March 12 and 13 and say that what we did in this House on March 13 was wrong. I think Mr. Speaker ruled it in order at that time. It was in order. The message being identical to what we have today, I can hardly see how we can argue today that what we did then was wrong and that we turn the clock back. In my view, it would be absolutely contrary to our rules and probably very dangerous for all of us.

Mr. Speaker: I thank the hon. member for Ottawa—Vanier. I think most of us are very conscious of events in 1956. I would hope this House would never get into that situation again. The hon. parliamentary secretary.

Mr. Albert Cooper (Parliamentary Secretary to the Leader of the Government in the House of Commons): Mr. Speaker, I appreciate your patience on this significant point of order in terms of the rights and privileges of this House and of all the members because it is more

than just a government–opposition issue. I think it is one that does affect the whole House.

I want to make three quick arguments in response to the comments made by the hon. member for Ottawa—Vanier on April 3, last Tuesday. On page 10147 of *Hansard* the hon. member explained why he thought the Senate Speaker ruled the way he did on certain amendments. He said, and I quote:

> He cited Erskine May in his ruling that the amendments in question were in order and that they imposed no additional charge on the public treasury.

I submit that in itself is part of the flaw in the ruling that we have from the other House. The reference here is to Erskine May and Erskine May is a procedural book of the United Kingdom.

The relationship between the two Houses in the United Kingdom, particularly on the question of money, is very different than the relationship between the Senate and the House of Commons in Canada.

I remind the House and the member opposite that the Senate of Canada has asserted since 1917 that on money questions it is not the same as the House of Lords. So there is a unique difference.

I argue that the Speaker of the Senate should have used our own authority such as Beauchesne's on which to base his ruling. If he had, I think the ruling would probably have been quite different.

The Senate Speaker, when asked to rule on the admissibility of amendments which would, if adopted, initiate government spending not now budgeted, did rule correctly in saying: "No special form of procedure applies to proposals to reduce existing charges and they may be moved in the House of Commons or in committee without the Royal recommendation". However, and I think this is the key, he was not asked to rule on whether a senator can make these types of amendments to bills such as this bill which already have a Royal recommendation.

He did not address the point. I believe had he done so it would have led to a different conclusion and a different result in the House today.

The authority which I believe ought to have been used is Citation 540 in Beauchesne's Fifth Edition. Its language could not be clearer. It talks not just about amount of charge, but also the objects, purposes, conditions and qualifications. These disputed amendments would change those objects, purposes, conditions, and the qualifications set out in this bill as principles. Therefore, I argue that they are *ultra vires*.

Beauchesne's Fifth Edition, citation 548, is even clearer. Mr. Speaker, this touches on the points that you made in your discussion with the hon. member for Kingston and the Islands. Beauchesne's, citation 548 reads, and I quote:

> Amendments to bills are out of order if they attempt to substitute an alternative scheme to that proposed with the Royal Recommendation.

What is really significant here is that under the present UI program there is a draw on the Consolidated Revenue Fund. Bill C–21 changes that dramatically to a draw from employers and employees. The Senate amendments are reversing this process and as a result we definitely do have an example of amendments being out of order because they are substituting an alternative scheme to that proposed with the Royal recommendation, which is, to use the exact citation of Beauchesne's fifth edition, citation 548.

If the Senate Speaker had based his decision on Canadian authorities and not on the United Kingdom parallels, which I do not think apply, he would have recognized that the proposed Senate amendments varied from the specific conditions laid out in the Royal recommendation attached to Bill C–21. In the House on April 3 the member for Ottawa—Vanier argued at page 10147 of *Hansard*:

> None of the amendments proposed to the various clauses of Bill C–21 seeks to increase or change the amount or purpose of an allocation in a way which would affect the royal recommendation of March 10, 1971.

This, of course, was the date of the original Unemployment Insurance Act.

• (1610)

What about the Royal recommendation tied to the present Bill C–21? I argue that is a jiggery-pokery type of argument. Why does this member not add to his use of the words "amount and purpose" the other required considerations I cited as standard, words from the Beauchesne's test such as "object, conditions and qualifications".

Such amendments as proposed in the Senate, and now here, would not be receivable from a member here. Quite the contrary to what I believe my friend says. Our

Speaker's ruling is sought on that dispute as well as some others.

Mr. Gauthier: Why didn't you say that on March 12?

Mr. Cooper: Mr. Speaker, the second point to which I refer comes to what my hon. friend suggests. He is asks why we did not do this on March 12. I think it is fairly obvious. We wanted to demonstrate that we are reasonable.

Some Hon. Members: Oh, come on.

Mr. Cooper: Hon. members laugh, but that is the truth.

When the Senate sends a message in the first instance, as tradition and experience would tell us, the first message is usually sufficient to deal with the issue. We wanted to yield where we could, to state our purposes to the Senate in specific terms by motion and a message back. We thought our motion, which was adopted by this House, would be understood by the Senate to be just that.

An Hon. Member: Oh, come on.

An Hon. Member: Say that with a straight face.

Mr. Cooper: I say it with a perfectly straight face.

We gave the Senate, by way of message, a reaction to the amendments. We did so to be reasonable, to express to the other House what we felt would be the case on this side and what we thought and hoped would be their reaction. Obviously, the circumstances changed. They did not accept our response to the message. They have now come back with a similar message and we are back to the same thing.

This brings me to the final point that the hon. member for Kingston and the Islands raised in his argument where he said that a point of order, in order for it to be raised, must relate to something before the House. I am paraphrasing, but that is what I heard the hon. member say.

First, we are dealing here with an attempt on the part of the government to be reasonable in a response to a message from the Senate.

Second, when that reasonable response is not accepted by the other place, we then consider what we believe to be fundamental principle arguments to be addressed. Is the issue before this House? I argue that in fact it is. What we are responding to is the message. The message has been sent from the Senate. It is an issue before this House and, ultimately, after your very important ruling, which does not apply only to the government in this issue, but to the rights and responsibilities of all members of Parliament because our relationship to the other House is a most fundamental relationship that goes back to the beginnings of parliamentary democracy and the whole idea of a parliamentary system.

The issue is clearly before the House. It is a very important issue. Mr. Speaker, your ruling is one that is very important to all of us. I hope the arguments you have heard on both sides have helped you to address the issue.

The arguments we have made demonstrate that just as those amendments would not be acceptable in this House, neither should they be acceptable by way of message back to this House.

Mr. Speaker: I do not think there is any need to continue the argument. I am indebted to the hon. parliamentary secretary for summing up in the careful way he has.

I shall bring my observations to the House as soon as possible. I do not think you can expect them tomorrow morning. I am going to take some considerable thought on this matter.

GOVERNMENT ORDERS

[*Translation*]

INCOME TAX ACT

MEASURE TO AMEND

Hon. Perrin Beatty (for the Minister of Finance) moved that Bill C-51, an Act to amend the Income Tax Act, be read the second time and referred to a legislative committee.

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the measures taken in Bill C-51—

Mr. Speaker: Before the hon. member begins his speech, I think it would be appropriate to explain why he is dressed that way.

[*English*]

I had already received letters from members of the public when I recognized an hon. member on the other side some time ago who also had a damaged hand and was unable to put on a jacket properly.

I want it clearly understood that the hon. member is being recognized not because he is deliberately not staying within the bounds of decorum in this House, but because he is an injured memeber who, despite the injury has managed to bring himself to do his duty to the House and to the country.

[*Translation*]

Mr. Vincent: Thank you, Mr. Speaker.

So I was saying that the measures provided in Bill C–51 are modest, but important as part of our effort to improve the operation and efficiency of the Canadian tax system. They deal with two specific problems involved in collecting unpaid deductions at source. As you know, Mr. Speaker, this problem is growing in Canada.

Deductions at source are amounts that by law must be withheld from a payee for income tax, unemployment insurance premiums and contributions to the Canada Pension Plan, as well as any interest or penalty thereon. By far the largest category of deductions at source is the money withheld by employers from payments to their employees.

When money is deducted at source as prescribed by law, the payee is credited with the amount withheld, whether or not the payer turns over the deduction as required by law. Unfortunately, Mr. Speaker, the employer does not always turn over the amount deducted at source, but uses it for his own purposes. Some companies, especially when they are in financial difficulty, use deductions at source as a way to finance their business and to cover their operating expenses.

• (1620)

Mr. Speaker, I am sure you will agree that a company official who takes payroll deductions which would normally be sent to the government and channels them into operating expenses is guilty of an offence because the funds withheld by the official and diverted to other uses belong to the federal government, to the government of Canada. It is as if the funds were in a trust. Sure enough, penalties are applied and interest charged when money due to the treasury is not paid within the time limit. But the fact remains that since October 1, 1989 there have been changes to the regulations as a partial solution to the problem we all know. This is why the rate of interest on delinquent payments was then raised by two percentage points.

The legislation is intended to speed up payment of payroll deductions and set up a more effective recovery process. Keep in mind that the employee has done his share when he gets his weekly or bimonthly cheque from which deductions have already been made, but it is a different proposition in the case of the employer who makes the deductions and uses the money for whatever purposes instead of sending it to the government, as he should.

Allow me to say more about two problems which I mentioned at the outset of my remarks.

The first stems from a recent court ruling which thwarts the effectiveness of the improved garnishment provisions which came into force in 1987 and apply only to the recovery of payroll deductions. This is the way Revenue Canada has since been recovering most unpaid payroll deductions.

The enhanced garnishment enables Revenue Canada to intercept the monies owing to a tax debtor but paid to one of his creditors pursuant to a security agreement such as an assignment of accounts receivables. Once the letter has been served to the person who has not remitted the source deductions, the monies seized are payable to Revenue Canada instead of to the secured creditor.

A ruling of the Alberta Appeal Court in a case involving the Lloyds Bank of Canada calls into question the efficiency of the enhanced garnishment provisions. The Court ruled that the present provisions did not give Revenue Canada priority over secured creditors. Revenue Canada appealed that ruling to the Supreme court of Canada.

It is not my place, as you will understand, to comment on the ruling or on the merits of the appeal. However, considering the importance of the revenues involved, it is essential that the government ensures the efficiency of those provisions immediately instead of awaiting the decision following the final settlement of the case before the courts.

You will understand, Mr. Speaker, that the amounts involved are very significant. Between $100 and $200 million are collected each year through the enhanced garnishment procedure. Therefore, we suggest that the procedure prescribed in the Income Tax Act be amended to ensure that the service of an enhanced garnishment letter will effect the transfer to the government of Canada of the seized monies and that Revenue Canada

will have precedence over any other secured debtor for the payment of such monies.

These amendments do not affect the rights of anyone involved in legal proceedings on November 6, 1989 when the ways and means motion was introduced in this House nor the rights arising from rulings made on or before that day.

The changes will automatically apply to the collection of source deductions for amounts payable under the Canada Pension Plan and the Unemployment Insurance Act, since both incorporate the garnishment provisions of the Income Tax Act.

The second problem results from an omission in the amendments made to the Income Tax Act through Bill C-139 in the last session. These changes included the reorganization of the subsections in section 227 of that legislation. A related amendment was omitted by mistake.

Therefore, the provisions prohibiting Revenue Canada from collecting any unpaid taxes in the 90 days following the day the assessment notice was mailed or before a decision is made on any proceedings related to these taxes, also apply to unremitted source deductions.

That was not the legislator's intention and the rules clearly specify that they do not apply to such amounts. This amendment rectifies the situation.

I hope that, with this overview of the general content of Bill C-51 and with the spirit of co-operation I recognize in my colleague across the way, we can pass this Bill at second reading as soon as possible.

As you know, these amendments are important to ensure tax fairness for all Canadians as well as to reduce the deficit. All Canadians must pay their fair share of income tax, but Canadians must also abide by our tax system without taking undue advantages of it as, for example, businesses who finance their operations by using source deduction funds.

Source deductions are monies paid by employees and employers should not be allowed to use those funds for their own purposes. The system serves the interests of the federal government well. It is useful for our current expenses and has helped us in our efforts over the last five years to reduce the deficit.

I thank you, Mr. Speaker, for your attention and I invite my colleague to do the same.

[*English*]

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, in looking at Bill C-51, I feel that in general there are very strong concerns regarding the ability of employers to take payments through unemployment insurance and other sources of income and not pay those directly to the government. We know that the principle of Bill C-51 establishes the ability of the government to legally garnishee payments that have been made on an employee's behalf to employers which have not actually been paid to the government.

The government is very limited in its ability to collect, particularly since the Alberta Court of Appeal ruled in June 1988 that the government does not have the first ability to get in. In principle we believe that any funds that have been paid by an employee to an employer should directly go to the government and the employer should not be able to use those funds to supplement business or to carry on other business ventures at the cost of the individuals dealing with a—

The Acting Speaker (Mr. Paproski): I would hope the hon. member would wind up because there really are no questions or comments on the initial first three speeches. If he could wind up his remarks I would appreciate it.

Mr. Pickard: Mr. Speaker, I have a few points that I would like to put forward, it certainly being very clear that the Liberals, on principle, cannot support allowing businesses to finance or subsidize operations by not paying government taxes when they have deducted those incomes at source.

We also believe that giving Revenue Canada the authority to collect unpaid taxes and make deductions may push small businesses—if they use a very heavy hand with small businesses which are in difficulty or in receivership—away from their ability to survive. If those small businesses that are in receivership end up in a position of not being able to survive then in the long term the government will collect far less taxes.

• (1630)

We also need a thorough investigation of the income tax legislation relating to bankruptcy. It is my understanding that the government is coming forth with that legislation at the present time and it will put those critical points on the floor.

It is important to realize that the Canadian Federation of Independent Business has not had a chance to really study the legislation and bring in recommendations for us to study. Very clearly, at this point in time, taking that legislation to committee and having the committee deal with it is probably the best route that we can go, and that is the route we would recommend.

The Acting Speaker (Mr. Paproski): I will not recognize any more questions or comments. I am going to recognize the next speaker and that will be the hon. member for Ottawa—Vanier. He is entitled to 40 minutes with no questions or comments.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I just want to get my comments on record.

[*Translation*]

First of all, I want to wish the hon. member for Trois-Rivières, our colleague and Parliamentary secretary to the Minister of Finance, a speedy recovery. I hope his arm will get better, that the GST hasn't done him too much harm, that he will soon be as good as new and that in future he will be suitably dressed.

Mr. Speaker, the bill before us implements the Ways and Means Motion to amend the Income Tax Act, notice of which was tabled in the House of Commons on November 6, 1989. It is a piece of positive legislation which provides for so-called technical amendments to the Act and which, I am sure, will have the support of the Official Opposition.

[*English*]

Mr. Speaker, this bill re-establishes the legal "garnishment" authority for the government to collect unpaid source deductions. Employers have to collect unemployment insurance premiums, Canada Pension Plan and income tax deductions from employees' pay cheques and pass them on to the federal government. Employers who have collected these sums of moneys on behalf of their employees should, but sometimes do not, pay the source deductions to the federal government as they should.

The government has had this enhanced garnishment authority since 1987 when subsection 224(1.2) of the Income Tax Act was enacted, but a recent court decision has thrown subsection 224(1.2) into question. The Alberta Court of Appeal ruled in June, 1989, in the case of Lloyds Bank versus International Warranty Company Limited that Revenue Canada did not have priority over secured creditors in the collection of unpaid debts from a business in the case of a bankruptcy and that the Income Tax Act did not transfer property of the funds to Revenue Canada.

That is basically the background to this bill. That is why we have Bill C-51 before us, and that is why the Liberals will give it their support and hope that it will go to committee for thorough study and possibly amendment to the act with a view to strengthening the legislation.

Bill C-51 ensures that the receipt of a garnishment letter from Revenue Canada transfers property to Revenue Canada and that the claim of Revenue Canada has priority over secured creditors in the case of a bankruptcy.

Bill C-51 states that legal actions to collect unpaid source deductions, including garnishment, cannot begin until 90 days after Revenue Canada rules on a taxpayer's appeal of their assessment, if any appeal is made. If a taxpayer launches a court appeal of their assessment, no action can be taken by the government until the court has made its final decision.

By giving Revenue Canada the enhanced collection powers proposed in Bill C-51, the government is attempting to ensure that businesses with a severe cash flow problem and facing possible bankruptcy do not use unpaid source deductions as a source of emergency financing which may not be able to be collected if the firm goes into bankruptcy.

After consultation, and as I understand it, the government views Bill C-51 as simply re-establishing the powers of Revenue Canada to those which existed before the ruling to which I alluded to a few minutes ago. Bill C-51 does not give Revenue Canada any new powers which it did not have prior to the court decision. Without Bill C-51, the government estimates that it will lose about $200 million.

The bill itself is a move in the right direction. My colleague and friend who spoke just prior to me made some points about bankruptcy. I would hope the government would use common sense, and not force small businesses into bankruptcy because once they are into bankruptcy, they do not pay any more taxes.

Small business is an important part of Canada. Small businesses are often the ones that are hardest hit by the downturns of the economy. Small business will be touched very seriously by the GST. Given the fact that the government is imposing this goods and services tax on Canadians on January 1, 1991, I would hope that, by giving support to this bill, the government does not take it that the problems of small business can be passed over, and that difficulties that may arise with small business can be overlooked.

I would hope that my friends to the left, the members of the NDP who traditionally are in favour of closing tax loopholes for corporations, but may oppose this bill, would try to understand that what we are doing is closing a tax loophole of some $200 million. If some people get away with literally taking moneys which are not theirs and not paying the federal government moneys which are due, then I think that is a wrong thing to do and I give this party's undertaking that we will pass this bill as fast as possible.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I trust the injury sustained by my friend, the first speaker for the government, was not as a result of the arm twisting that is going on in the Conservative caucus to keep members in line on the GST.

We in the New Democratic Party support the intent of Bill C–51. I think that we should review in general what this bill is intending to do. It makes it possible for the government to have an enhanced garnishee so that it can attach moneys that are owed by firms which have not paid the moneys they have deducted at source, particularly the moneys they have deducted from employees for UIC premiums, Canada Pension Plan premiums, and income tax, as well as moneys that they owe for their contribution to UIC and CPP.

There are a number of businesses in this country that are experiencing increasing difficulty with cash flow, and there is a great temptation for all sizes of business, both small business and fairly substantial corporations, to simply utilize money that has been deducted at source as a method of interim financing. This may be done with all the best intentions in the world, but if the cash flow problem continues over any period of time, then they have increasing difficulty meeting their obligations to pay the money to the government within the first 15 days of the next month, which is their legal obligation.

In speaking to the bill, the member of the government mentioned the problem of increased bankruptcies in Canada. That is a growing problem. The year end figures in 1989 showed that bankruptcies had increased 8 per cent above the level of 1984, which had been the highest. Bankruptcies in January of this year increased an alarming 33 per cent, and from December to January were up 20 per cent. Bankruptcy is also related to industrial profits. In 1989, Statistics Canada reported that operating profits for industrial corporations fell $5.5 billion, down almost 15 per cent. In 1989, profits for industrial firms ranging from manufacturing to mining were down to $32 billion from $37.5 billion. In Quebec, the liabilities related to bankruptcies have risen from just over $50 million in 1987, to almost $180 million.

• (1640)

Businesses in Canada are having increasing difficulties in making ends meet. Many of them are facing bankruptcy and cash flow problems because of the free trade deal. This week in my riding of Surrey North there was an announcement that the Ste. Michelle Winery was going to be closed, directly due to the free trade deal, with a loss of 47 jobs. Fortunately Ste. Michelle is part of a larger winery system, so at this point in time the parent company is not in a state of insolvency or, as far as we know, having problems with its cash flow.

We are going to see this problem increasingly in the next period of time, particularly if the government is determined to go ahead with the ill–conceived goods and services tax. Small businesses will find it increasingly difficult to maintain the viability of their businesses and their cash flow. It is going to be very tempting for them to utilize the source deduction moneys as a ready source of cash, rather than forwarding them to the government.

The government has made some attempts to improve the efficiency of the tax system. I think members will find that any time the government attempts to improve the efficiency of the tax system where it is fair and equitable

or plugs loopholes that the New Democratic Party will support this.

The Bill C–51 allows the government, by letter known as an enhanced garnishee, to attach moneys that are owing to a firm that has not paid its source deduction moneys. There are some good parts of that which deserve study in committee, particularly parts that deal with the fact that the person can appeal an assessment. If there is an appeal of an assessment, the garnishee order would not take effect for 90 days, or if there is a court appeal, that would not take effect until that court appeal is heard.

The government has every obligation to the Canadian taxpayer to ensure that it collects money that it is owed. We often think that, in relation to some of the larger corporations and deferred taxes, the government should be more vigorous in its pursuit of these moneys. These are moneys that employees have given to the company in trust for the Canadian government. They are moneys that the employees have had deducted from their pay cheques and given in trust for forwarding to the government. Therefore, they are moneys in which the employees have a big investment, not only in terms of the handling of them by companies in trust but also what happens to them in terms of their use by the government.

Source deduction moneys are earmarked, in part, for the UIC fund. The changes that the government has introduced which are now in the process of being debated, mean that the government no longer has, or wishes to have, any direct financial responsibility for the unemployment insurance funds, so these funds are basically employer–employee funds. They are being held in trust by companies until such time as they are transmitted to the federal government.

Employees have a large stake in the use of these funds, and employees across Canada have been expressing their disapproval of the government's plans for the use of these funds. They have been expressing their disapproval by opposing the UIC bill, particularly to its changing the responsibility for training to come out of an insurance fund that was meant basically to protect workers' incomes and not as a fund to subsidize industry and government in the training of workers.

Training and retraining of workers is vitally important and must be undertaken on a massive scale, if we are going to be competitive in a modern industrial society. It is inappropriate to take money that was designed for income maintenance to pay for the basic necessities of food, shelter, rent, and basic health care for families.

The opposition that we have seen across Canada to the government's use of UIC moneys indicates how seriously Canadian workers take what happens to moneys that are deducted at source. They feel very strongly that these moneys should be used as an income maintenance program. They are unhappy that the government has decided to increase the number of contribution weeks that are required in order to qualify for UIC and to decrease the length of time that a person is able to draw UIC. They feel that source deduction funds are now being used to not only supplement the training component, but to offset other government revenues in order to assist the government in debt reduction. Employees feel that debt reduction should be the responsibility of all Canadians, not just employees who are contributing to UIC and CPP, and particularly UIC.

Mr. Dorin: Has this got anything to do with the bill?

Mr. Karpoff: Certainly. Everything has to do with the bill, because these are source deduction moneys and Canadians are very concerned about what happens to their source deduction funds. They are concerned that not only are these moneys held in trust properly by employers and forwarded properly to the federal government, and if they do not they are quite pleased to have legislation like Bill C–51 in place to ensure that the federal government has the ability to attach these moneys, but they are equally concerned as to what the federal government does with this money once it gets it. It is all very nice to say that the responsibility is to transfer the money to the federal government, but if it is not being adequately or properly utilized by the federal government then I think that employees would not support this type of legislation. They are concerned about supporting the legislation on the basis that they understand and want to be reassured that these moneys are being utilized effectively by the government.

• (1650)

In addition to the UIC bill, much of the money that is used goes to the Canada Pension Plan. The Canada Pension Plan was set up initially in order to ensure that Canadians had adequate retirement funds in their old age. Unfortunately, the Canada Pension Plan and other pension schemes that the government has undertaken have fallen short. Increasingly, many of the elderly in this country are inadequately protected. At least 20 to 25 per cent of elderly single people live in poverty. In addition, there are a large number of elderly single women who find it very difficult to make ends meet on limited pensions.

One of the problems is that the Canada Pension Plan is restricted solely to those people who have been in wage earning or self-employed positions. The Canada Pension Plan has not been broadened to deal with such areas as women who choose to stay at home and make their contributions to society by caring for their homes. For years, the New Democratic Party has advocated the development of some type of homemakers' pension scheme as part of the UIC or as part of the Canada Pension Plan.

Forty-two per cent of unattached individuals over the age of 65, and 20 per cent of all senior citizens, live below the poverty line. That is nearly 500,000 Canadians. Older women, particularly, are more likely to be poor than men; 71.7 per cent of the elderly poor are women.

The Canada Pension Plan, which was initially thought of as a pension plan that would provide adequate pensions, is now only providing 25 per cent of retirement income. We know that is not adequate to guarantee people a proper income. It might be adequate if one had a lot of cash resources. I know some of the Tories have lots of assets—

The Acting Speaker (Mr. Paproski): Order, please. I would just like to ask the hon. member if he plans to take his whole 40 minutes.

Mr. Karpoff: Mr. Speaker, I plan to speak for a few minutes more. I do not know whether I will take my full 40 minutes.

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Ottawa—Vanier, Official Languages; the hon. member for Prince George—Bulkley Valley, Forestry.

On a point of order, the hon. parliamentary secretary.

Mr. Cooper: Mr. Speaker, as you had interrupted, I thought it might be a good time for me to put my point of order.

I have listened to members of the three parties speak in the opening round of this bill. All three parties appear to be supporting the bill. I wonder if there might be unanimous consent of the House to send this bill, at five o'clock, to the legislative committee, on division.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

Mr. Karpoff: Mr. Speaker, I want to return to the problems around bankruptcies and wages. One of the things that happens when firms go bankrupt or insolvent is that not only do they not pay to the government the Canada Pension Plan and UIC moneys that have been deducted from employees, but often those same firms do not pay the wages owed to employees.

It is very nice for the government to bring forward Bill C-51 to ensure that it has a priority of claim for moneys owed to it, but it is remiss that it has not seen fit to enact legislation that gives a priority over other creditors to employees wages. The New Democratic Party, particularly the member for Nickel Belt, introduced Bill C-217 which was given first reading on April 10, 1989 which attempted to do this.

During the next couple of years with the effects of the free trade deal and the goods and services tax and the problems they bring, which the government calls "dislocation", and which is equated to bankruptcies and failures of businesses and industries like Ste. Michelle Winery in my riding, we are going to have increased difficulty with companies not only not remitting their moneys to the government, but also not paying wages to their employees.

It would be much fairer if the government had a companion piece of legislation to Bill C-51 that increased the priority of employees, as opposed to other creditors, for wages. What we were talking about in Bill C-217 were wages of up to the first $2,000. These are the

wages that people need to feed their children. These are the wages that people need to pay their mortgage.

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

Mr. Dorin: Mr. Speaker, I was just wondering whether this was a throne speech debate or a debate on Bill C–51, because we are covering a pretty wide range of subjects here.

The Acting Speaker (Mr. Paproski): I think the hon. member is really coming to the bill.

It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

ABORIGINAL PEOPLES

NEEDS OF YOUTH

The House resumed from Tuesday, March 20, consideration of the motion of Mr. Anawak:

> That, in the opinion of this House, the government should consider developing special initiatives, in consultation with aboriginal peoples, to respond to the serious employment, education and health needs of aboriginal youth.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, it is a great privilege to be able to join in such an important debate. I thank my colleagues on this side of the House for presenting this motion for our general consideration. I can think of no issue which haunts all Canadians more than the need to deal with the issues facing aboriginal youth across this country.

Since this debate began several weeks ago, I have noticed that the Chief Commissioner of the Canadian Human Rights Commission, Max Yalden, has added his voice to the debate. His argument is that the treatment of native peoples in Canada is one of our greatest and most pressing problems. He, in fact, would like to see a royal commission set up to address this issue.

Whether or not a royal commission would add to the momentum remains to be seen, but certainly it is one more indication of the anxiousness among those people who wish to see this issue addressed. Mr. Yalden's approach should be taken seriously by the government and by all of us sitting in this House.

We are asked in this motion to consider ways in which the Canadian government can begin to address specific questions facing aboriginal youth. Perhaps we should reflect for a moment on why there are so many problems among youth in terms of education, health and employment. I think we can begin by realizing that for every positive influence given to non–native, non–aboriginal children, those influences are probably lacking with respect to aboriginal children.

One fact not appreciated by many parliamentarians is that while people my age, the baby boom, have benefitted from in Canadian society, it is different in the native community. In fact their baby boom is going on as we speak. While their greatest growth in population is with the youth between 15 and 25, this is the group that is totally lacking in education, employment, proper health care, and housing. At that very moment when they need us we are not doing anything for them.

How can we begin to address the problems? Over the last decade in the province of Manitoba there have been groups which have reached out. Perhaps we should accentuate the positive in this debate and talk about what people are trying to do.

I can think of my own involvement over the last decade, for example, in the community of Shamattawa in northern Manitoba, a very remote community of a few hundred people. In that community we had tremendous difficulty with gasoline sniffing. Through an intervention project and the setting up of a community centre, the children of that community realized there was some place to go and something to do other than going off to the bush to sniff gasoline. That led to further employment projects and the community is very proud of the fact that today they have built their own school. That is not a project run by southerners, but a project run by people from the community.

A little farther south is Norway House, another remote community. In Norway House the situation among the 3,000 people living there was so bad that the youth took it upon themselves to form the Norway House Youth Council with its own young chief. This youth council has an employment committee, an education committee, and a health committee. It set up a youth conference and invited people from outside the

community, including myself, to have an opportunity to discuss with them what it is they are trying to do.

In the course of preparation for this conference two more of their friends committed suicide. It is not just a problem in the abstraction when people are trying to work things through in their life while their friends are committing suicide. I think there are very few of us in this House who have had to deal so directly with such a pressing problem and had to translate those personal concerns into building or rebuilding a community.

That youth council has made great progress in the last four years and deserves the support of Canada. It deserves the support through programming, through moral support, and through business to the community. The young leadership has to be given a chance by telling them that we will not let them fail and will give them whatever support they need to have a more productive life.

In the middle of my constituency of Winnipeg North Centre a number of different groups are trying to deal more persuasively with the problems of aboriginal youth. Winnipeg probably has the largest concentration of urban aboriginal people in the country. It is difficult to be accurate, but it ranges between 25,000 and 50,000 people. Half of those are under the age of 25 and probably 80 per cent of them are within single parent families.

Most of these families are without employment. The education levels, despite the hard work being done in schools such as R. B. Russell, are very limited. Instead of there being generation after generation of success, with an older brother or an older sister doing well, we find that they are constantly confronted with a lack of opportunity in our society.

We in Winnipeg are trying to deal with this issue. When we set up the aboriginal justice commission one of the observations made by Justice Sinclair after looking at the situation was: "We have to turn attention to aboriginal children. We have to give these children an opportunity to have some hope, to have an opportunity to participate in our schools, to participate in the job market".

One of the projects I most admire in the Winnipeg area is Rossbrook House, which takes a very superficially laid back approach where people can come to visit them. From that, the people who are active in Rossbrook House have developed programming which goes 24 hours a day, seven days a week. They have opened their doors and on that basis they have become increasingly involved in programming, job creation, education support, and family support.

When we are talking about dealing with aboriginal youth, we are not talking about the icing on the cake. We are talking about one of the most fundamental needs in our society. I think what is often lost, as we go through government deficits is that we do not know what to protect. We do not know what is really important to us.

I am pleased to see that the minister responsible for the native communications program is here. There is nothing more important than for native youth to have an opportunity over the next decade to develop the written and verbal capacity to talk to each other in their own language. The fact that we have in times of cut-back not seen that as the greatest priority of our society leads me to wonder whether or not they will maintain hope that we will be able to do it.

The broader question is: Where should there be opportunities for aboriginal children as they become more educated and find their way in the professional world? Which routes should they have available to them?

One positive initiative that has been taken by Canadian governments in the last decade is the attempt to reinforce the opportunity for self-government, to reinforce the opportunity for freedom, and to reinforce the opportunity for self-management. Once the people get the education and training at their community colleges, learn how to manage economic development projects, learn how to manage band offices, and learn how to manage downtown projects in our major cities whether it is dealing with the homeless or dealing with family services or dealing with education, we should let them take control of and learn how to run these institutions. We should freely give it to them and not use the excuse of a lack of learning as a reason for not giving it to them.

It is a very daunting proposition because many people look at the failures in our society. They look at the failures of Indian bands to develop economic development projects and the failure to account for money. They have seen a lot of negatives in the past 20 years and tell the government that it has given away too much. They say that native people do not know how to spend money or handle responsibility. However there is only one direction to go if we are to save this next generation of aboriginal children. The only direction to go is in favour of self-government.

We must take a risk. We must show support for people who are desperately trying to find a way to rebuild confidence in their communities, confidence in each other, the capacity to manage, the capacity to learn and the capacity to create employment among themselves.

If we look at the successes, if we look at the opportunities provided by the Dakota—Ojibwa Tribal Council in its own school at Yellow Quill, and if we look at the opportunities provided at Norway House through economic development initiatives operated by the youth, the benchmark of success in one area of the country after another is in self-government.

The more that we in Parliament through passing motions like this show support to members who are dealing with these problems in their own constituencies, the more we can turn to the people of Canada and say: "We have looked at motions such as this and we are not afraid to lend our support. We are morally committed. We are legally committed. We want to see these proposals go through."

The aboriginal youth of this country can look at a motion like this one and see that it simply says the government should consider developing special initiatives. It does not say the government should spend a lot of money. It asks the government to consider helping the aboriginal youth of this country. We should tell the aboriginal youth of this country that we agree we should be taking some initiative and working with them. We should be saying: "We want to work with you. We agree with the Canadian Human Rights Commission. There is a role for us. There is a role for you. Let us work together".

I call upon this House to adopt this motion and to show support for our aboriginal children.

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, I am indeed very pleased to address this motion, a motion to consider special initiatives for aboriginal youth.

I am pleased because aboriginal youth and the development of positive programs have been a personal interest and involvement of mine for many years. This is a matter of tremendous importance, as other members have previously stated.

• (1710)

The needs regarding employment, education and health are all interrelated and should be considered together, although separately each deserves its own consideration.

Without education it is very difficult to obtain employment and without health it is very difficult to obtain an education or employment. With education and employment it is much easier to stay healthy. So the needs, if and when properly addressed, will result in aboriginal youth who are, among other positives, proud of who they are. Aboriginal youth will feel a part of this country once again, to the extent that they then can become positive contributors as nation builders in every aspect.

The problems we have come to know too well are immense but not insurmountable. I think aboriginal youth want to contribute. Given the same chance as everyone else they can become winners like everyone else. First they have to feel good. They have to feel good about who they are and where they are going, but collectively we must first deal with myths and stereotypes that have been proliferated over the years. The days of the no good, lazy, drunken Indian must come to an end. How does it happen? One of the ways is with education. Another is with employment.

When dealing with aboriginal youth I am often asked: "How is it that you have the highest suicide rates, the highest unemployment rates, the highest drop-out rates from high school, the highest inmate population rates in jails"? In yesterday's edition of *The Globe and Mail* these kinds of statistics continued to appear. Let me quote from the article:

> The statistics compiled by the Canadian Institute of Child Health on suicide among people from the ages of 15 to 19 go beyond the basic question of why anyone to whom the full flavour of life should just be dawning would wish to end it. Why would young people in Canada's north be apparently so much readier than others to quit this life? Is it linked in some way to the relative hostility of their environment? The despair that feeds on unemployment and low incomes? Is this the lot of a culture torn between the old ways and new ways, seduced nightly by the dish-antenna visions of southern lifestyles and escape through the

bottle? Is it the inevitable fate of a huge territory of scattered communities?

Whatever the explanation—and it might be a hellish alchemy compounded from all of the above—it is clear that the native northerner can count substantially fewer of the blessings of life than other Canadians. Fewer in almost any category you care to mention.

The unemployment rate among native northerners, reports the Department of Indian and Northern Affairs, is among the highest in Canada, reaching 50 per cent in some communities—

I might add that in some areas it is as high as 85 per cent. It continues:

The Northwest Territories has the highest per capita incidence of alcohol offences in Canada, and probably a very high rate of substance abuse.

Although the article refers to the north, I do not think it is very much different in other parts of Canada. In fact at home the suicide rate is even higher. Where the article mentions rates four to five times the national average, ours have been as high as ten to twelve times.

I think over time, with self-fulfilling prophecies, much of this has happened because we as native people have become to believe that we are no good or lazy or that you have to drink to be an Indian or that we should die before a certain age.

Much can happen to change the world for aboriginal youth. Much has been done in the past. Allow me to thank all of those concerned for their efforts to date, but much more needs to be done. This motion, when passed, would begin that process. When the motion was first introduced I wanted to refer to a couple of noteworthy events related to the issue. I think they are still relevant.

First, after 10 years of negotiations, the UN General Assembly unanimously adopted the first convention on the rights of the child. I applaud the members involved whole-heartedly. Then during the same week the Leader of the NDP in his final speech to this House spoke very eloquently on the plight of the poor and in particular of children in our affluent society of Canada. Yet, for the children who are referred to throughout those speeches and documents, many of those are aboriginal children.

In 1990, in Canada, we still have aboriginal youth who go to school every morning hungry or too hungry to concentrate or to study or to do their homework. Until the employment, education and health needs are addressed and met, we will have this cycle of desperation.

What can be done? I do not want to appear totally negative because there are many success stories. Aboriginal youth want to contribute. In fact I believe aboriginal peoples want to contribute. We want to contribute to the development of our own youth. We know they will then become strong segments of Canadian society and, in that way, we will then have a stronger Canada.

A basic minimum to accomplish this is for full, meaningful consultation to occur with aboriginal peoples. If I may mention a personal bias, I believe that personal, physical, mental and spiritual development must first happen as a foundation. Sir, when you were the Minister of State for Fitness and Amateur Sport, you contributed to that positive development. I thank you for that, but I think you will also agree that it was because you consulted aboriginal people yourself that made those sport programs successful. I was grateful, therefore, for the announcement by our colleague, the Minister of Indian Affairs and Northern Development, that he too, would consult with natives on post-secondary education.

As I go out speaking in Indian country, I speak about an Indian winners' club. I started out a few years ago by calling it a 5 per cent club, those we never hear about because they succeed. Good stories don't always make the news, but we always hear about the 95 per cent who dropped out of school. This past year alone I spoke to over 200 post-secondary graduates in Alberta. I have changed the name of that club to the 10 per cent club. We are improving, but it will be a great day when someone, hopefully I, can get up and say I want to congratulate those graduates because we now have a 95 per cent or 100 per cent success rate.

When that happens I know those aboriginal youth will then be employed and will also be in a position to contribute ever better to our nation. It is only then, also, that economic self-reliance as an aboriginal dream can become a reality. We need more success stories, but we must also change our focus to highlight positive stories whenever they occur.

I recall the debate a while ago when member after member rose in this House to speak from their heart about the atrocities that occurred in China after the university incident. I ask those same members to recall that night and, in the same spirit of human compassion and kindness, to forget about the political affiliation and support this motion.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, indeed it is an honour to rise in support of the motion presented by the member from Nunatsiaq which reads:

> That, in the opinion of this House, the government should consider developing special initiatives, in consultation with Aboriginal peoples, to respond to the serious employment, education and health needs of Aboriginal youth.

I am sure you would agreed, Mr. Speaker, with other members who have spoken today that if there is a motion before this House that should be passed or dealt with more than ever, it is a motion like this one. I think the concerns are being expressed by members who represent many of the people to whom this motion is directly related. We have a long way to go.

Others have made reference to the most recent annual report of the Canadian Human Rights Commission where the commissioner cites last year's annual report and states: "We described the situation of Canada's aboriginal peoples as a national tragedy". It is still a national tragedy.

The Carrier Sekanie people live in my riding. I have had meetings on the reserves and most recently with the chiefs who had gathered in Prince George. Some days it seems to them that the challenge is almost insurmountable.

I know of the problems that we have faced in working with the people at the band level to help get even the simple things that we take for granted in this Chamber and on this Hill. We have to fight and work to get adequate sewer and water in many of the reserves in northern British Columbia and other parts of the country.

• (1720)

I do not know how much more emotional a member can be when we meet with representatives of our bands in our areas and they tell us the litany of the problems they have faced not only over many years but even in recent years, with the work that has to be done to help with the education, health and housing of many of these people.

It was stated earlier that a major accomplishment would be to recognize self-government. Certainly in my province the biggest road block we have is the government in Victoria currently not recognizing the existence of land claims, self-government.

The federal government negotiates. We have some concerns with that process but at least in most cases they are talking. In my home province, the government in Victoria, British Columbia does not even recognize that. One of its ministers said they deal with Indian Affairs issues on a day to day basis. That is their commitment.

We in this Chamber have to show that our commitment goes deeper than that. The Prime Minister has made some major statements about the direction in which he wants to see his government go. He has talked about education. We are debating major tax policy and trade policy. I would ask the Prime Minister to take it upon himself to deal with many of the questions we are dealing with in our ridings when it comes to Indian people and to work and push his ministers and the new minister to see that these problems are dealt with.

The Secretary of State is in the Chamber today listening. I am pleased about that, because he knows we have had discussions and correspondence about the issues that we are facing in our area and the requests that we have had from the Carrier Sekanie people to develop and preserve their language. One of the first official duties I had as a new member was to go out to Vanderhoof to attend a scholarship ceremony for the Ingenika Dene language institute, where they are teaching aboriginal people to go out and teach the importance of language. We call on this government to provide some assistance.

We are working on building a new university in the north. I understand that the premier will be in my home town, Prince George, tomorrow, to make an announcement about an interim board of governors. I trust that he has consulted, and I trust that he will be appointing someone who can reflect on, comment on and help develop an aboriginal languages institute as part of that university. It is critical and essential to our area.

The Carrier Sekanie people have developed many other initiatives to deal with and describe the concerns they have about their young people. They are talking and working with school boards in the area to develop an aboriginal education program from K to 12, as they are called. I know my colleagues and those at the provincial level have been pushing for and supporting the preservation of native languages which have given us a great history in this country.

I do not have to comment about health. We all know the problems. Northern Ontario was spoken about earlier, but in my riding nothing has been done for years at the federal level. It is a day to day job to see that we get the attention of the departmental officials and the minister to see that the work is done. Chiefs and elders representing both the young and the old in their areas are very concerned. I think you know, Mr. Speaker, how important they feel this issue is.

Employment is mentioned in the motion. In our area it is hard to find jobs for aboriginal people with regular employers. I have been on the phone in the last day or two working with one of those employers, where the Indian people themselves are developing the economy and the businesses themselves which will employ their people and developing the training mechanisms that they need to give their young people their rightful place in this economy.

I ask government members and the Prime Minister to take up the challenge that aboriginal people have offered us. We must meet that challenge and respond to the needs as laid out in this motion in terms of health, education and employment. I urge and ask government members to support this motion.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I feel this is a great opportunity for myself as the member of Parliament for Portage—Interlake to make some comments with respect to the motion of the hon. member for Nunatsiaq.

I join with my colleagues in the House who obviously have a large representation of Indian people in their respective constituencies in recognizing the importance of such a motion to the welfare and the goals our first Canadians clearly wish to be considered.

I would like to pay tribute to the member for Nunatsiaq who in fact recognizes the importance to the people he represents of trying to find ways that the Government of Canada can assist in addressing the concerns regarding health and better education. It is pretty much a known fact that the living conditions of our natives are certainly in most cases inferior to what most Canadians take for granted.

That situation is, I might add, changing to some extent. It is probably fair to say that those changes in living conditions on our reserves and for our native Canadians perhaps do not occur as fast as we would like.

We recognize that there is a lot of social problems. It is not for us to lay fault for the social problems some of our native Canadians are fraught with, but clearly they need to be addressed.

Once again, my colleague from Nunatsiaq has taken up the challenge. He talked about education. I do not think there is a member of this House of Commons who would deny that the key to any society and any way of breaking out into the world of job possibilities and the particular requirements of the total workforce is education. I might add that it really is what I would like to talk about today with regard to this motion.

A lot has changed in the last 25 years and a lot has changed in the last 10 years. I recall the hon. member for Provencher, the Minister of Energy, Mines and Resources, and myself some three years ago ventured into northern Manitoba where we participated in the opening of some $60 million in new educational facilities on about seven reserves. These particular institutions, high schools and community centres, were built at a tremendous cost, probably almost double the cost that it would be to build those same facilities in southern Manitoba, southern Ontario, or near major centres. This was mainly because of the remoteness of where these new schools had to be built. In some cases it took a year of waiting until the roads froze in winter and were no longer flooded before supplies could be trucked in. It took almost an entire year to build up the supplies in order to build the school facilities at, for example, Shamattawa or Gods Lake Narrows. The cost is almost double. Therein lies a new constraint that the Government of Canada has.

• (1730)

Nevertheless, you will now find facilities in some of our most remote locations in most cases of a standard that is equal or, in some cases, better than you would

find in other parts of Canada. This is due in part to the desire of the Government of Canada in the past and in the present to continue to put a lot of emphasis on a community centre, not just an educational centre, but a place in which the community can have tremendous pride. This gives the people the feeling that they are not any longer, in terms of the educational field or community centre, second–class citizens of Canada.

These are the kinds of things that are ongoing. I am very grateful that they are.

I have about 13 reserves in my riding. One specific reserve has been very aggressive in terms of taking total control of its school. Many others have as well. It has put its priority on education. The people on that reserve have realized that that is their key out of the economic demise that they found themselves in at the cost of decisions made in the past by someone in the head office in Winnipeg, and prior to that in Ottawa. They are coming to me to discuss their future concerns with regard to the education that they want and desire under their kind of conditions, using their culture and possibly their language.

Twenty–five years ago this was an unheard of situation. I think we have made gigantic steps toward fulfilling what many Canadians take absolutely for granted when it comes to the education of our first Canadians.

This of course is not to say that more cannot be done. There is no doubt that more can and will be done. However, there has to be a consideration that it has to be done and the moneys have to be expended in a very sincere and careful manner. Obviously, the desire to expand all these facilities is far greater than the tax burden and the economy of Canada can really handle.

I had a meeting with the Minister of Indian Affairs and Northern Development just yesterday with regard to providing those communities with the proper ability to fight fires. Up until now a good number of reserves that are remote had no capability to fight fires.

We know that some of the houses are crowded. Some homes that have been there for some 20 or 30 years are not at all up to standard. Fire codes were never heard of when they were built. Today, we are trying to build homes that meet the same fire codes and standards that everybody else has. Why should they not have the right to have that situation which will obviously assist them in securing safety for their families?

In the last short while three reserves in my constituency had the misfortune of losing five children in fires. None of the reserves had the capability of fighting fires with a volunteer fire department.

These are the changes that are occurring. They are very significantly different. Yes, they are at a great expense to the taxpayers, but I think willingly spent to assist people who are far less fortunate than we are.

In fact, moneys are now in the hands of native business people who have taken another new initiative. They have approached the Government of Canada to assist them in developing and funding their own businesses. I have some tremendous examples of that existing on some of the reserves in the Interlake in the Province of Manitoba.

I am sure that if some of my Alberta colleagues and members from British Columbia who spoke earlier were polled, we would find evidence today of tremendous amounts of funding that the Government of Canada has used to assist in developing native businesses with the help and assistance of tax dollars which gives these businesses a chance to establish the pride of ownership and to compete in what could be considered a very difficult market.

I heard one of the members here speak today about the fact that all too often the bad news is reported when a business attempt is made and funds have been expended. All too often the finger is pointed immediately indicating that we have wasted money. People say that we did not approach the problem the right way, or that the bureaucrats made a bad decision or should have known better. I recognize this does occur. I am no different from some of my colleagues when we see not so much the fact than an Indian has taken an initiative and lost, but that he may have been guided by a non–Indian. In fact, there may have been some individuals who have wanted to take advantage of the system to create personal gain. This does occur.

I agree with my colleague who spoke earlier. We should not always highlight the failed projects. Certainly, there are some very good and very effective projects that have worked for constituents and for Indians who desired to have their own business.

There is a tremendous amount of evidence of change that has occurred with regard to bringing about self–gov-

ernment, self-fulfilment and improved opportunities through education and our health care system. I think this government has no apologies to make to anyone in terms of its effort to continue that process.

I would like to thank again the member for Nunatsiaq for his efforts in trying to look after the broad constituency that he represents.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise today to lend my unqualified support to the motion put before us. I would like to thank my colleagues, the member for Nunatsiaq and the member for Kenora—Rainy River, for their initiative in bringing this matter before the House.

I grew up in Hagersville which is on the edge of both the Six Nations Reserve and the Mississauga of the New Credit Reserve. Half of the school population in the school I attended as I was growing up was made up of students from those two reserves. So I do know a bit about what I speak.

I am quite ashamed to say that a lot of the problems aboriginal youth were having back then are still the same problems that they are having today. I quite frankly do not think that we as a society or we as Canadian legislators have taken our role in helping to solve these problems.

I want to start off with a quote from the Canadian Human Rights Commission. "An Indian youngster in Canada has a better chance of being sent to prison than completing university."

I quote that statement to inform all members of the House of the gravity of the situation we are talking about here.

We have heard a lot of talk lately about intolerance from Canadian society. Pins, T-shirts and public opinion polls are causing the media to conclude that maybe we in Canada are not the equal, tolerant and just society that we think we are. I am quite sure that that realization came as no surprise to the aboriginal peoples of our country.

• (1740)

For the past two years the Canadian Human Rights Commission has described the situation of Canada's aboriginal peoples as a national tragedy. The statistics are startling.

The aboriginal peoples of Canada face infant mortality rates and medical neglect on a scale which other Canadians have never had to face. Aboriginal peoples face depression, substance addiction and suicide on a scale that Canadians in other parts of Canada surely do not realize and surely will never have to face.

The suicide rate among the Inuit in the Northwest Territories, for instance, is four times the national average. Over half of the suicides are among Inuits between the ages of 15 to 24.

The incidence of tuberculosis is seven to ten times higher than the national Canadian average.

The infant mortality rate among Indian babies is more than twice the national average. The Inuit infant mortality rate is more than three times the national average. If we think of all the human suffering that is behind those statistics, we will think that this House should be doing more. Parents see their babies die. Teenagers find a brother or a sister who has committed suicide. Each of us in this House knows that the suffering is unacceptable. The most tragic thing of all is that we know that it does not have to be this way. This human suffering is avoidable.

The motion before us aims to call the government's attention to the need for more government action. The needs of our aboriginal peoples require the immediate development of special initiatives in the area of health, employment and education. These initiatives must be developed first and foremost only after consultations with aboriginal peoples—real consultations as they have been described lately.

There is no doubt that the programs and the initiatives that work are those which are developed by aboriginal peoples themselves. They must be consulted before, not after, the development of these programs.

There are encouraging signs that aboriginal peoples were succeeding in consolidating their belief systems in the education of their children. There is more hope for the future than there was in the past, but it is a long way away.

There are other pressing needs in the areas of employment, education and health. Census figures in 1986 found that the average Indian income was half that of the general population.

The Standing Committee on Aboriginal Affairs recently released its second report. In that report it is stated that while there was a wealth of ideas and energy on the part of aboriginal people in the area of economic development, for instance, there has been little improvement in recent years in bridging the gap between aboriginal and non-aboriginal income.

The unemployment rate of aboriginal people is shocking. It ranges somewhere in the neighbourhood of between 35 per cent and 50 per cent.

As my colleague from Nunatsiaq pointed out earlier in the debate on this motion, an aboriginal youth employment crisis is looming on the horizon. This government needs to take action now.

Two-thirds of the Indian population is under the age of 25. Between 1987 and 1997, 140,000 aboriginal people will become eligible to join the labour force. If aboriginal employment rates are not maintained—and we are not talking about improving but just maintaining them—8,000 new jobs will be required by aboriginal people each year.

The federal government has got to take the lead in developing employment initiatives and providing jobs for these people, to take advantage of the ideas and the creativity which is being demonstrated by these aboriginal groups.

The federal government's own record is not what it should be. Little improvement has been made in the employment rates of aboriginal people in the federal public service and other employees covered by the Employment Equity Act.

Between 1987 and 1988 it was reported that the representation increased by only .07 per cent. There has not been enough done in this area.

According to the 1989 Canadian Human Rights Commission report, at the present growth rate it will take another 20 years before aboriginal employment reaches even 2.1 per cent, which is the current level of their availability in the workforce.

More must be done to improve employment and economic development opportunities for our aboriginal peoples. Educational opportunities are vital for the future of aboriginal youth and the success of aboriginal economic endeavours.

Approximately 60 per cent of Indians have a Grade 9 education. That figure is lower among aboriginal peoples of the Northwest Territories.

The Standing Committee on Aboriginal Affairs reports serious concerns that exist over the low quality of elementary and secondary education that aboriginal children are now receiving. The government has decided to restrain the growth of the funding which helps Indian students to attend post-secondary education institutions. We had that debate earlier and nothing has been done since to improve that situation.

The Human Rights Commission had these words to say in response to the government's restraint on growth: "We have understood on several occasions that given the importance of education, and particularly technical and post-secondary education, it would be worse than short-sighted not to guarantee every possible opportunity to enable native persons to pursue their schooling."

In closing, I call upon all members of this House to support the motion before us. I urge and encourage the government to develop the special initiatives necessary to deal with the health, employment and educational needs of Canada's aboriginal people.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I am very pleased to have the opportunity to address the subject of the employment opportunities for aboriginal youth in Canada's north.

For six years as the member for the riding of Timiskaming I had the opportunity to have the lower end of James Bay, the communities of Moosonee and Moose Factory as part of my riding. I was able to work with the groups in that area and along the James Bay coast. Unfortunately, through redistribution, I lost the opportunity of representing them, but I still have the people of that area very close to my heart.

The youth of any society are its strength and hope for the future. This statement is particularly true in Canada's north. Its aboriginal people are in a period of transition, adapting their traditional ways of life to today's needs. Unfortunately, the transition has not been an easy one.

This government realizes there are certain stark realities that must be addressed. The Human Rights Commissioner, in his recent report, pointed out that unemployment, the exception for most Canadians, is the norm for aboriginal Canadians. Off reserve, in terms of

their percentage of the population, aboriginal Canadians are under-represented in the workplace in virtually ever sector of the Canadian economy.

While the problems are very clear, their resolution is not. This government is aware that a long term commitment is necessary to achieve the ultimate goal of self-reliance and self-sufficiency for Canada's aboriginal people.

Nowhere is the problem more complex than in the north, where there are limited wage-earning opportunities over all, and relatively few employment opportunities for unskilled workers. More important, the Indian and Inuit population has a significantly lower level of education and skills. This is related to a number of factors, including cultural differences and difficulty of access to schooling.

Another factor of particular interest is the age structure of the Inuit population, which is markedly different from the rest of Canada. In 1981, the median age of the Inuit was 18, versus 30 for the Canadian population. In 1991, there will still be a 12 year gap between the median ages of both groups. The gap will widen in the longer term to a 15 year age difference in the year 2001—the median age for the Inuit will be 23 compared to 38 for all of Canada.

• (1750)

This relative youthfulness of the Inuit population has important implications for government initiatives. While the Canadian population is aging into retirement and will be demanding increased social services such as geriatric health care and housing for the aged, the Inuit population is entering into the working-age groups and will need labour market oriented services such as training, employment opportunities and assistance for economic development.

I am aware that education is the best way to combat the social malaise and physical hardship that now afflict too many native Canadians. I also know that assistance for Indian post-secondary education is one of the most successful programs the federal government has ever undertaken. The issue of education is an important one that I would like to address in depth at another time.

At the moment, I would like to deal with the initiatives this government has undertaken to stimulate the training and employment opportunities so vital to the youth of the north.

The Canadian Aboriginal Economic Development Strategy, announced last June, will provide long-term employment and business opportunities to Canada's aboriginal citizens, by giving them the means to manage effectively their own business enterprises, economic institutions, job training and skill development.

This strategy is a long term commitment by its very nature. While previous programs were limited by a sunset clause, this strategy will be on a continuing basis. It represents a government commitment of close to $874 million for its first five years.

Throughout, we will be seeking assurances from aboriginal business and community leaders, provincial and territorial governments and the Canadian business community at large, that they will work together to bring Indian and Inuit people to a new level of economic self-reliance.

A skills development component of the program, to be delivered by Canada Employment and Immigration, will be of particular importance to Indian and Inuit youth in the north. It will provide and increase managerial, professional and vocational skills through training at community colleges, universities and other institutions.

This strategy is not a first by any means, but merely the latest in a series of programs this government has implemented to stimulate employment in the north and throughout Canada.

Over the past five years of Canada-Northwest Territories economic development agreements, $29.6 million will have been spent promoting income and employment growth in the tourism, small business, mining, renewable resources and arts and crafts sectors of the economy.

Over the past five years, this government contributed the largest share of the $21.7 million spent under Canada-Yukon economic development programming which, among other things, promoted the development of businesses maximizing employment and investment opportunities for Yukoners.

No review of employment measures would be complete without considering the measures taken by the government to ensure that the training and employment benefits of claims settlements are enjoyed by claims beneficiaries. Subagreements in each agreement in principle pave the way for concrete steps to ensure training and employment opportunities are marketed aggressively to the beneficiaries, ensuring that the opportunities created by the settlements flow to the claimants.

This kind of collaborative economic development programming is important because of its multi-faceted approach and the fact that it recognizes that the role of the federal government is to support, to the extent possible, the decisions and goals that northerners make and set to themselves.

These are important initiatives. They clearly and amply illustrate the role this government is playing in assisting the employment of aboriginal youth in the north. The future belongs to the youth and we are ensuring they are equipped to meet the challenges of new opportunities and to carry future generations forward along the same self-sufficient path.

Mr. Pat Sobeski (Cambridge): Mr. Speaker, I welcome this opportunity to speak to the motion before the House.

This motion focuses on the employment, economic and health needs of Canada's aboriginal youth. While these matters are of profound importance, they are also clearly more than just another excuse for partisan debate.

The fundamental problems and concerns involved are hardly new. What is new, however, is the determination and clear direction which this government has demonstrated in addressing these problems and concerns which have had their origins in the earliest days of settlement in this land.

I will not attempt to address all of the issues contained in this motion. In the next few moments, however, I would like to deal with the matters of economic prospects and opportunities for aboriginal youth in Canada. Many approaches have been tried and much serious effort has been made by previous federal governments to address the legitimate and pressing concerns of Canada's aboriginal peoples in general and aboriginal youth in particular.

Why then are we here today debating the same issues and the same concerns which have been the subject of such vigorous efforts in the past? At least part of the answer lies in the complexity of the issues themselves.

Yet another important part of the answer lies in the realization that only a long-term commitment to the achievement of self-reliance and self-sufficiency by Canada's aboriginal people will help to build the basis for genuine and lasting economic and social progress.

How exactly is that progress defined? It is defined in terms of achieving real increases in average income levels and employment rates. It is defined in terms of an expanded and flourishing business base, a better trained and more mobile aboriginal labour force, and a stronger aboriginal management and entrepreneurial capacity. It is defined in this government's Canadian Aboriginal Economic Development Strategy, announced in June of last year.

I would hope that the majority of hon. members are already well acquainted with the details of this strategy. Unlike previous aboriginal economic development programs, which were limited by deliberate sunset provisions, this strategy will be on a continuing basis.

Supporting this process is a minimum federal government commitment of close to $873 million for the first five years of the strategy. This strategy brings together aboriginal business and community leaders, provincial and territorial governments, and the Canadian business community in a new national partnership. It is a partnership designed to bring aboriginal people to a new level of economic self-reliance with the means to effectively manage their own business enterprises, economic institutions and their own job training and skills development.

Just as the orientation for this strategy is long term, its development did not come overnight. Two years of intensive consultation were undertaken, involving a number of federal departments and representatives of aboriginal people from across Canada. The result is an integrated approach.

This strategy takes into account developmental training, management and ongoing project-support requirements. It offers substantial new opportunities for aboriginal individuals and communities to develop and

expand commercial enterprises and to obtain long-term employment.

The Acting Speaker (Mr. Paproski): The time provided for the consideration of Private Members' Business has now expired.

Pursuant to Standing Order 93, the order is dropped to the bottom of the list of the order of precedence on the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

OFFICIAL LANGUAGES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to have more than seven minutes, but I realize we are subject to certain constraints.

On June 25, 1987, the government tabled in the House of Commons a new Official Languages Act, to replace the 1969 legislation that had become obsolete. The new Act was passed by this House on July 7, 1988 and by the Senate on July 27 the same year. It received royal assent on July 28, 1988, 13 months after it was tabled.

• (1800)

To be effective, Mr. Speaker, legislation must be accompanied by clear and precise regulations with respect to the language of service, language of work and equitable participation. Those are the three major points this legislation was supposed to clarify, and it was to provide clear and precise guidelines on language of service, language of work and equitable participation.

As the responsible department, Treasury Board was to conduct preliminary consultations with minority groups, which was done in the spring of 1989, when I met Treasury Board's Deputy Secretary, Official Languages Branch, who told me that preliminary consultations had taken place with the Fédération des francophones hors Québec, Alliance Quebec and six or seven provincial associations across Canada.

At the time, preliminary consultations were scheduled with the SANB, the Société des Acadiens du Nouveau-Brunswick, in Moncton that week and with the Yukon shortly afterwards. I am talking about March 1989, exactly one year ago. So, consultations with minority groups as required under section 84 of the legislation; approval of draft regulations by cabinet, I suppose, and probably, tabling in the House according to the usual procedure so that members can become acquainted with the regulations, as required under section 85 of the Act.

Mr. Speaker, the legislation comes into force after a long and complex process. However, as the government keeps putting off tabling its regulations, it will become increasingly difficult for Canadians to find out how the legislation will affect them.

I asked the President of the Treasury Board on April 11, 1989 when we would have the regulations under Bill C-72, the Official Languages Act. He assured me they would be tabled by December 1989. Well, Mr. Speaker, April 1990 is here and we still do not have anything.

The lack of action of the government in promoting a new law and informing Canadians on its application is such that Canada is now facing a situation which is getting worse every day. Instead of implementing regulations and launching an information campaign on the actual application of the new law, the government is behaving like a silent witness and doing nothing to counter the misinformation spread throughout the country by certain extremist groups.

Official language minority groups are trying to defend as best they can the language policies the Conservative government is afraid to uphold.

Mr. Speaker, in his annual report tabled in the House two days ago, the Commissioner of Official Languages rightly criticizes the government's lack of action in putting forward regulations that have been too long in coming. He said, and I quote: "We must have the courage to carry through without fear of negative reaction. After all, we are not launching a revolution!"

The Commissioner even compared the lack of leadership shown by the Conservative government and the Prime Minister to a bad conductor. I refer those interested to the annual report which is quite interesting and, I think, fair.

Mr. Speaker, this why on April 3, after waiting 21 months for regulations which have yet to be released, I asked the Prime Minister to show some firm leadership and instruct his ministers to stand in their places. The President of the Treasury Board told me me he had not yet consulted with minority groups.

Mr. Speaker, I phoned every single minority association in Canada and was told that consultations are over. It is true that after my question Treasury Board officials called the FFHQ and asked for a meeting. But no proceedings nor any meeting with the associations had been arranged before I raised the question.

Obviously the Conservative government is either afraid of extremist group reactions or inefficient in its negotiations—and today I said as much to the President of the Treasury Board. I am sorry but things are moving so slowly that one has to wonder whether he has become an expert at all-time delaying tactics stalling or whether he is simply a bad negotiator. I know he is a good negotiator, so something is wrong somewhere. Something seems to be difficult to settle in this case. The commissioner's threatened resignation yesterday came as a shock, and I strongly suggest the government should not exacerbate the situation and let it deteriorate to the point where the commissioner, the official languages ombudsman, points a critical finger at the government in his annual report and goes as far as saying he might resign, an officer of the Parliament of Canada!

• (1805)

Mr. Speaker, The Commissioner of Official Languages said: Very little has been done in terms of the official languages over the past ten years. I quote: During the firtst ten years of the Trudeau administration there were people who did look after the official languages issue and much progress was accomplished. Again I quote: Since the Conservatives are in office, he said, the ratio of federal employees who meet the linguistic requirements of their duties has decreased.

Mr. Speaker, we do have linguistic problems in this country. I ask the government to do something, to give us right away the regulations of Bill C-72 so that we know just what the government plans to do in this matter.

Adjournment Debate

Mr. Howard Crosby (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, allow me to respond to the concerns of the hon. member for Ottawa—Vanier, on behalf of the President of the Treasury Board.

[*English*]

The member has expressed in the House on many occasions his deep concern for the official language policy of the Government of Canada. His concern is no deeper than that of the President of the Treasury Board and members on this side of the House of Commons. That was expressed very effectively in the Official Languages Act which was enacted by the House of Commons in 1987. No greater faith in the policy of duality of languages in Canada could be expressed than was by the enactment of a statute in the House of Commons.

What remains to be done is the full implementation of that statute and I want to assure the hon. member of the good faith of the President of the Treasury Board and the Government of Canada in that implementation process.

May I draw a personal analogy, Mr. Speaker? The hon. member for Ottawa—Vanier is a life-long resident and native of the national capital region, as is the President of the Treasury Board. Those people understand very well the two solitudes in Canada coming together and being one. They are leaders, as indeed they should be, in this evolutionary process. But they must realize that it is a evolutionary process and that moderation is required. Moderation and will win the day, not pre-emptory action that will not accomplish the desired end.

There is evolution and development every day. We have heard in the House and other places that the Greater Vancouver Regional District just recently passed a resolution supporting the linguistic duality of our nation. It urged all Canadians from coast to coast to display the tolerance and understanding necessary to the building of Canada as a unified nation and constructive member of both the English-speaking and French-speaking parts of the world community. I think that is what we all want to accomplish.

The question is how do we accomplish it? Do we accomplish it by simply pushing forward regulations and forcing them on Canadians, or do we go through a consultation process to ensure that everyone is in agreement on how the official language policy should be implemented. As the hon. member well knows, that is

what the President of the Treasury Board is seeking to do and is doing. He has consulted, in accordance with the provisions of the Official Languages Act, with the linguistic minority groups. He has spoken, as required by the act, to a number of people.

Evidence of that is in the action by the Vancouver group. If we see evidence of that across Canada, we know that people are gathering around this policy, this principle of language duality as represented by the Official Languages Act.

The member complains that time is passing and action is not sufficient to meet his desires. He has to realize that it is a difficult process but the goal is to convince all Canadians of the benefits of the official languages policy.

The President of the Treasury Board has time and time again committed himself to this task. The Government of Canada is committed to this task. I do not know why the member raises this complaint. To answer my own question, I do know why. The Commissioner of Official Languages raised this point and he wants to take advantage of it. I do not fault the member for that. The more he raises it and brings public attention to this issue the more people will understand the need for progress.

• (1810)

The Official Languages Commissioner has his job to do and he has done it well. He has brought it to the attention of the House of Commons and all Canadians. I assure the member and the Official Languages Commissioner that the government is proceeding at the appropriate rate of speed. It is consulting, it is ensuring that the end product will be satisfactory to all Canadians and will accomplish the desired end of unanimous consent and concurrence to official language policy.

* * *

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to rise today on what I think is a very timely debate. As you know, I rose in the House last Friday to question the Minister of Forestry about the British Columbia–Canada forest agreement which was expiring the day after. That was actually an anniversary date. It was more bad timing by the government because that was the anniversary date for the expiry of forest agreements in Alberta, Saskatchewan, Manitoba and Ontario, and not just for a week or two, but for a full year.

I rose to ask that question of the minister. I am pleased that his parliamentary secretary is here today to respond. Perhaps he could make an announcement in the Chamber tonight about the forestry agreement. I want to raise my concerns about how important that agreement has been to the provinces I mentioned but, more particularly, how important it is to the province of British Columbia.

The Forest Resource Development Agreement has meant thousands and thousands of people employed in silvicultural work in British Columbia. It has been used primarily to replant what we call our backlog NSR, the Not Satisfactorily Restocked land. It has provided funds for research and it has helped focus activity at both the federal and provincial levels of government to tackle our problems with forests.

It is because of the debate concerning our forests today in this country, in my province especially, that this agreement is so important. It is important because it gives a role to the federal government to work with the provinces at a very basic level in terms of employment opportunity. The B.C. forest agreement contributes close to 600,000 additional cubic metres per year to the annual cut in British Columbia. That means people get jobs because of the forest agreement.

We have been calling on the government and the provincial government to renew that agreement for some time now. We had commitments from the federal Minister of Forestry in April, 1989; June, 1989; October, 1989; December, 1989; and now we are told, after the agreement has expired, that we have to wait some more, we have to wait until planting season. Well, I do not think that is good enough and the people of British Columbia do not think that is good enough.

It is important that we do not let the government of British Columbia off the hook either. This is a process of setting priorities, priorities by the federal government and priorities by the provincial government.

We have had the most unfortunate situation where the Premier of British Columbia hollered loudly last fall for this government to cut transfer payments to the provinces. This government did that and then the Premier cried "foul". The Premier of British Columbia has pulled the rug out from under his Minister of Forests. I

think this is the eighth one. As far as I know he is still the Minister of Forests in British Columbia.

We now have the spectacle of the federal Minister of Forestry saying that the initial British Columbia request to replant our forests is unreasonable. We now have the current provincial Minister of Forests saying that the initial request that his previous colleague developed is utopian. This is a shellgame between the Conservatives in Ottawa and the Socreds in Victoria, and it is our forests that are going to suffer.

We have been arguing with my provincial colleague, the MLA from Prince Rupert, and our entire New Democratic caucus. In particular, the B.C. members of this house have been arguing for this agreement.

• (1815)

The premier is in Prince George tomorrow. The provincial minister is there. The federal minister is sneaking in Friday night. They should use the occasion in Prince George tomorrow to sign an agreement that reflects the range of $800 million to $1 billion as identified by the silvicultural and forestry communities as necessary to replant our forests in B.C. That is how important this agreement is.

These agreements across the country have, in varied ways, done different things. In Alberta there has been considerable research into developing some added value qualities. Ontario has gone a year without an agreement. While the federal minister has suggested that the Liberals in Queen's Park have not made a lot of noise about renewing the agreement, I can at least echo the words of the provincial minister, who is suggesting that at a time when the sustainable development of our forest is so important, there is a reduction in the federal commitment.

That is not good enough. The people of British Columbia and other provinces want that agreement signed, and they want it signed today.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Mr. Speaker, I listened very carefully to my colleague from British Columbia. I would first of all like to thank him for especially pointing out that the latest series of federal-provincial forestry agreements has been very beneficial, for his province and all the other provinces of Canada.

Mr. Speaker, I would like to remind him that since 1984, the federal government has been strongly committed to forestry. Just think of all the agreements that were signed, the first series providing over $1 billion, of which more than $600 came from the federal government, to see what a priority forestry is for our government.

I would also like to remind my colleague that since the late 1950s, 1957-60, this is the first time we have a full Forestry Department independent of other departments like Agriculture or Environment.

I would also remind my colleague that all three parties in this House unanimously agreed to restore a Department of Forestry because we know how very important this industry is for our country's economic and social health, in all provinces of Canada, Mr. Speaker, and that of course includes British Columbia.

I would also remind my colleague—and if you have some honesty in politics, you must admit it—that the oppostion often accuses us, the federal government, of not having done anything last year. I would like to remind my colleague that the minister of Forestry firmly intends to renew the agreements in each of the provinces. It is obvious; we just have to mention the New Brunswick agreement, which was improved, the Nova Scotia agreement, the Prince Edward Island agreement. We just have to mention the Eastern Quebec Development Plan, which was renewed. We just have to mention the willingness of the minister, who travelled from Newfoundland to Vancouver, met with concerned groups and discussed with people.

Mr. Speaker, it's nice to say: We absolutely want a forestry agreement, it's vital to our province. However, conscienscious people, people who believe in consultation and can accept ideas from other people nevertheless have to start by sitting down with the people concerned and determine what the needs are, analyse them and, if funds are available, make agreements and allocate amounts that could be most beneficial to the forest sector.

That is precisely what the Minister of Forestry has been doing for the past year. I would like to point out to my colleague that the minister has met numerous people, in British Columbia as well as in Quebec and Ontario. And our minister speaks the truth, Mr. Speaker, when he says: "There should be more consultation with the provinces." The provinces must also give us the feedback we need regarding forestry. I think that is important, because this government does not intend to act unilaterally as far as the forest sector is concerned.

What we are expecting from the Department of Forestry is— It is important that the agreement takes into account the needs of the environment, sustainable development, quality supplies for our businesses, and decent salaries for our forestry workers. That is what the Minister of Forestry has been working for and I hope my hon. colleague will support such a worthy approach, not only for a political party, but also for a very important sector of our economy, namely our Canadian society.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.20 p.m.

HOUSE OF COMMONS

Friday, April 6, 1990

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—FUNDING FOR WOMEN'S CENTRES

Ms. Lynn Hunter (Saanich—Gulf Islands) moved:

That, in the opinion of this House, the government should reinstate core funding for women's centres, to enable those centres to continue to provide essential information, referral and support services to women.

She said: Madam Speaker, this is a very important motion on a very important issue. The devastation to women's centres by this latest budget cut really speaks to not only a lack of fiscal support for women's centres but a concerted political effort on the part of this government to silence the voice of dissent of women across Canada.

Women's centres grew out of the recommendations of the 1970 Royal Commission on the Status of Women. That royal commission spoke of the real inequality that women faced in our country. The recommendations of the royal commission were being implemented gradually, painfully slowly, across Canada. Women's centres were playing a significant role in this process.

Women's centres are necessary. Some of the services that they provide include services for battered women who do not know where to turn, where the nearest shelter is, or how to get there, or even which lawyers they would best talk to. Women's centres provide that information and sometimes they are adjacent to the very services which a battered woman would require.

Teenage women get information regarding sexuality or sexually transmitted diseases and the location of supportive health centres. Women's centres provide that information. There are homeless women right here in Ottawa. The Women's Place in Ottawa has operated as a drop-in centre for homeless women on weekends because there was a gap in social services provided by municipal and other services.

The centres can tell jobless women, newly divorced women, young women, or older women who may not know where to start looking for a job what job programs are available for them and can provide counselling.

Centres inform mothers and parents what child care facilities are available in a community; they advise immigrant and visible minority women what programs are available to them, what organizations can help them.

Women's centres can help sexually harassed women and those who are discriminated against at work, by telling them what the law says, and explaining their rights. Many have a list of lawyers who can help them.

All women and men in a community can use the resources of a women's centre. They provide public information and public education on women's issues. They speak out on matters affecting women.

With these latest cuts, 100 per cent of their core funding, these services are going to be at least drastically reduced if not eliminated completely in some cases. That is going to have a very negative impact for the kind of work we have tried to do over the years to implement the recommendations of that Royal commission report.

For example, in Whitehorse, cuts to women's and to native organizations' funding means a cut to 80 per cent of the voluntary organizations in the Yukon. This is a pattern that has evolved over time.

The Secretary of State's women's program was cut in the 1989-90 budget by $2 million. In the last budget it was cut by a further $1.6 million.

• (1010)

At the same time, the argument is that we have to address our deficit. I think there is no one in this House who is going to deny that the deficit has to be addressed and reduced, but the debate is about the way in which that is being done.

In this same budget that reduced the core funding for over 75 women's centres by 100 per cent, there were increases as well. There was an increase to the budget for CSIS in the amount of $33 million. There were also $14 million allocated for advertising for the GST. We can see where the priorities of the government are. When you consider $33 million for CSIS and $14 million for advertising for the GST, $1.6 million is a very small amount, and one wonders how credible the argument is that this is a cut that is necessary to reduce the deficit.

It is also very interesting that it comes at a time when this government has been spoken to very forcefully by the women of Canada in their opposition to the initiatives under Bill C–43, the recriminalization of abortion. I do not believe that it is just a coincidence.

I think there is a political agenda that is being followed here. The voices of women from those women's centres and their ability to do organizing in communities has been profoundly limited by these budget cuts. What is happening now is that those women's centres are now having to redirect their energies by fundraising, in order to keep their centres open and in order to do project analyses and write up project proposals.

Having been the Chair of the board of our local women's centre in Victoria, I know the kind of energy that has to be put into that paperwork. The staff of those women's centres are often paid very little. They are dependent upon volunteer work as well. I know the staff of our women's centre in Victoria was paid about $22,000 a year, which is probably the national average.

One does not work in those centres in order to get rich. One works there because of the hope that ultimately the recommendations from the Royal commission's report of 1970 will come to fruition and that there will be real equality for women in Canada. Those women staffers, right from Victoria to Newfoundland, are committed women who are doing the government's work at a very low wage. They are doing it with commitment and passion. It is a very effective way of trying to implement what the government itself has set out. So, again the argument that the cut of the $1.6 million is a deficit reduction initiative falls flat.

There is another agenda here. The agenda is to silence women, but I can tell you that women will not be silenced. We have seen, throughout the week, the initiatives of women who will not be silenced. We have seen them from Newfoundland to Port Alberni and to the north.

The 100 per cent cut to core funding for the women's resource centre in Whitehorse, in the Yukon, means that that centre will have to close its doors. The closest women's centre, if that is closed, is in Port Coquitlam, British Columbia. Is that what the government means by alternatives?

What are we going to do? Are we to pay air fare for women to come and consult? Are we to pay long distance phone charges? No.

The reason that these funds are being reduced is to silence women, and women will not be silenced. It fits in with this government's agenda to silence the poor of Canada. The poor will not be silenced.

My colleague from Mission—Coquitlam, in her duty as social policy critic, has met with a number of low income women and low income men who are dependent on social services. These are the kinds of people we should be looking after.

It really speaks about the role of government when we talk about cuts to women's programs. Who are we supposed to be helping through our taxation system? Is it the people that are already doing well enough? The government seems to think so. The cuts to women's centres, native centres and other initiatives can make the government uncomfortable. I think it is a quite blatant political act to keep them quiet.

I would like to turn to the effect of the closure of centres. In British Columbia the following women's centres are about to close: the women's centres in Chetwynd, Fort St. John, Howe Sound, Kelowna, Penticton, Port Alberni, and Kitimat.

We have asked repeatedly to meet with the minister responsible, the Secretary of State. He has sent officials with no power to make changes to the funding situation. These officials further angered the women, and I think the minister responsible has also incurred their wrath. Last Monday, the women members of our caucus sent a

letter to the minister asking for a meeting at his convenience. We have not received a response.

This is an urgent situation, and that is why we are using this opposition day to put forth this motion. I think it is a black mark on this government if it feels it can get away with this, and there will be continuing civil disobedience if it is to continue.

We should also focus on the fact that the government's international reputation will be sullied by this action. The government is breaking international treaties by this initiative. Canada has signed the UN convention for the elimination of all forms of discrimination against women. The government has also gone along with the Nairobi forward looking strategies.

Canada cannot say one thing in international fora and another thing at home. We are talking about $1.6 million dollars, a piddling amount when we consider some of the other initiatives that have been increased by this government in what is being applauded as a deficit reducing budget. Canadians are not fooled at all.

In responding to questions on the committee for the elimination of discrimination against women about the country's success in combating discrimination against women, the permanent representation of Canada at the United Nations explained that it was the strength of the Canadian feminist movement and the commitment of Canada's leaders to the equal rights for women. How does eliminating the core funding for women's centres demonstrate the commitment to equal rights for women? There may be some painful logic, and I am willing to listen to it today.

• (1020)

The women's movement is constantly undermined by funding cuts and the refusal by government to meet with the National Action Committee on the Status of Women, Canada's largest women's lobby group, made up of over 600 women's organizations. Not only has this budget cut $1.6 million from women's centres funding, it has also cut funds available to feminist publications. I think that is also a concerted effort to reduce the ability of those publications to work effectively and to bring the women's agenda to light. There is a concerted attack on women's equality through those reductions. I remind the House that this is a cut of $1.6 million, compared to a $33 million increase for the budget of CSIS.

That comparison alone speaks to the government's agenda, of this government's priority, and of its lack of commitment to promoting the equality of women. It is a black day if this government continues with this initiative. I hope the minister responsible will go back to his cabinet colleagues. I also hope the Minister responsible for the Status of Women will carry out her responsibilities for the status of women and will ask her cabinet colleagues, as my motion indicates, that the funds be reinstated for those women's centres so that the women of Canada, from Newfoundland to British Columbia, to Yukon, to Yellowknife, will be able to do their work as they have done in a a very efficient, effective, low cost and committed way.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I am very pleased to have an opportunity to say a few words today concerning women's centres in relation to comments that the hon. member for Saanich—Gulf Islands has made.

Some 10 years ago in Scarborough we set up a women's centre. I was a member of the board founding that centre. It was very important to establish the centre in order to reach out to women who are having difficulty so that we could as sisters help them. In the process of setting up that women's centre we looked for funds. We spent a lot of time around the table filling in those applications, getting the right words in order that the funding would become available, but at no time did we believe 10 years ago that our sole funding for women's centres was to be from the federal government.

At that time we were looking to foundations, to the community, and to fund raising events to see how we could have funding from various levels. I am very pleased today, thanks to two very wonderful individuals in Scarborough, Nina Willcocks and Linda Davis, who have diversified this funding so that now there is very little funding from various levels of government in order to provide services for social justice and economic equality for the women in Scarborough.

I have a question and comment. The hon. member speaks about funding cuts. Let us look at some of the numbers. In 1984–85, the year just before the Conservative Party took over the government, the funding was about $8 million for women's programs under Secretary of State. There has been a tremendous increase in that funding. In 1988–89 it was $13 million.

The commitment demonstrated by a number of women within our own party in order to increase funding dramatically over the last six years is a great credit to the government and these women. Many have benefited from those programs.

I think that it is time that we started setting some of the record straight in terms of the advantages we have been able to provide for women, such as jobs and the number of women who have been able to establish their own businesses. Two-thirds of the businesses in Canada started in the last six years have been started by women.

I wanted to set the record straight. I look forward to doing so as we progress through this debate.

Ms. Hunter: Madam Speaker, it is a very good idea to set the record straight. Let me begin my remarks by setting the record straight regarding the 1990–91 commitment for women. The women's program has been cut to $9 million from $13 million. We are back nearly to 1984–85 levels. When we take inflation into account, that shows the real commitment to women's centres.

We should really address what the government is trying to do by having women focus on fund raising. Every minute used to raise funds is a minute taken away from organizing and creating real change in Canada. Do not think that women are fooled. They are not.

Mr. Jim Karpoff (Surrey North): I would like to direct a question to my colleague. How does she explain to the people at women centres that there is no money from the federal government, while at the same time it can find $16 million to spend on a GST that is going to be detrimental to women and their families and is not supported by 80 per cent of Canadian population? Since the funding for women's centres is obviously supported by the vast majority of Canadian women and men, how does she explain to women this tremendous contradiction in the Tory government policy?

Ms. Hunter: I think the women and men of Canada have seen through the pained logic that this is going to assist in reducing the deficit and have seen that this is a concerted political act to silence women. I do not try to explain the kind of logic that will allow for $14 million in advertising for the GST, which as my colleague points out is going to be hurting the very women and men the centres are trying to assist.

The redistributive capacity of our tax system is at stake here. We are talking about what the government should be doing with our money and the kind of initiatives that this government has undertaken since it gained office again in 1988. It has spoken very clearly about the kind of direction it believes it should take.

The women and the women's centres have voiced very clearly their opposition to the government's agenda. I think that is one of the reasons for this latest round of cuts. The government is using these cuts to silence women.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I happen to be the member of Parliament for the riding of Mission—Coquitlam where the Port Coquitlam women's centre is located. To set the record straight, I would like to tell hon. members that 100 per cent of funding is not expected by that woman's centre or any other women's centre from this government.

• (1030)

I would like to ask hon. members in this House to consider information about the monetary value of the volunteer time put into women's centres.

The volunteer time amounts to 2,700 hours. If we multiply that by $10.50 an hour, which is the average hourly wage paid to counsellors across the country, we see it equals $28,350. That is how much our collective time as women is worth.

If we multiply the $28,350 figure by the 33 women's centres in British Columbia we get $935,550, almost double what it would cost to keep these centres open.

In setting the record straight, we have to remember that women are putting in $935,550 for centres that

service 231,000 women in British Columbia. I would say that is darn good value for any dollar the government puts forward.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I am particularly pleased that parliamentarians have an opportunity today to reflect on the contributions that women have been making to this country. Indeed, I am pleased to be examining what progress we have been making in terms of equal opportunity and equal access that almost all of us have made the cause of our lives.

This particular day will certainly mark for all of us the beginning of a renewed opportunity to stop marginalizing and trivializing the very, very important activities that have been so instrumental in providing women with the opportunity to gain equality and social justice. Programs have been advocating that. They have been helping to provide the services that have been very essential. I have been very quick to note the effectiveness of those very programs.

Today the opposition day is focusing on core funding. The motion states that the government should reinstate core funding. I am not sure there are three people in the country, outside certain people inside the ministry itself, who understand what core funding or sustaining funding is all about.

Mrs. Maheu: You tell them, Gerry.

Mr. Weiner: What is clearly at stake is whether any expenses dealing with administrative overhead, such as rent and lights, can be included as admissible expenses. If you want to call it core, you can call it core. You can call it project or program. What we have indicated in a very open manner is that the criteria that are established are flexible enough to allow many of those expenses as admissible expenses under the program or project funding.

The question is not whether it can be described as core funding, because some groups receive core funding and some women's centres do not. In the Province of Quebec there are some 78 women's centres, 39 of them had received some sustaining funding, the other 39 did not. I might add that there are more women's centres that do not receive any federal funding compared to those that do.

It always hurts when trying to administer a program to have a little less. This particular area, at the moment, has a little less. But this should not minimize the government's commitment to bring forward a strong cross-government commitment in terms of every single ministry, in terms of every single department, in making sure that once and for all this country is a full and equal opportunity society.

We will have an opportunity today to review all of the government's programming in the women's areas, so that we can set the record straight.

Some hon. members: Oh, oh!

Mr. Milliken: You mean you're going to start to admit to some of the blunders?

Mr. Weiner: I hear a lot of snickers, but snickers from that party which trivialized the women of the nation in terms of its programs and commitments—

Mrs. Maheu: Who started the programs?

Mr. Weiner: We have a record not just in terms of appointment, but in terms of full participation that is the envy of anybody sitting on the other side of the House. You have no reason to snicker.

Some hon. members: Hear, hear!

Ms. Clancy: Programs started by Liberal governments.

Mr. Weiner: Madam Speaker, I hear the gallery, and we will talk to the gallery from time to time because I know they want to be actively involved. They have not asked to meet with me this week, and I will be very pleased when they do.

Ms. Langan: We have! And you won't meet with us.

Mr. Weiner: I have not heard from her.

I am here today to set the record straight on the government's commitment to fund women's centres, and to support women's programs and the women of Canada. Motions like the one we face today fuel unfounded fears.

Over the course of the last few days I have watched with dismay as misleading reports obscured the simple truth of the matter. The motion before the House on the issue of funding to women's centres gives me the opportunity to speak to all members and through them to all Canadians.

[*Translation*]

Madam Speaker, the opposition would have Canadians believe that the government is not interested in the

women of Canada. Nothing is further from the truth! No other government in Canadian history has been so concerned with advancing women's rights and working with them for sexual equality in our society.

Let us leave controversy aside and rather look at the facts. Between 1980 and 1984, the Liberal government—

[*English*]

—you were there, sitting in your seats—

Ms. Clancy: I was not here in 1985.

[*Translation*]

Mr. Weiner: The Liberal government only spent $12 million on women's programs, Madam Speaker—only $12 million.

[*English*]

Our commitment far overshadows that. Since 1984, at Secretary of State, we have spent over $56 million to support Canadian women in their ongoing efforts against disadvantage and for equality.

Ms. Clancy: How about the money to REAL Women?

Mr. Weiner: This year, for example, we will be working with over 550 voluntary women's organizations building a vital partnership in every province and territory. For example, we have made a priority of programs which assist immigrant and visible minority women, women with disabilities and native women. We have assisted women's groups in improving their fundraising skills.

[*Translation*]

We are addressing the problem of family violence with a multi-year strategy that is giving concrete results. We have taken a government-wide approach, calling on the resources of my department and those of Health and Welfare, Indian and Northern Affairs and Justice, as well as Canada Mortgage and Housing.

[*English*]

We have responded to the issue of family violence with a budget of over $40 million, including some $22.5 million for CMHC's Project Haven which will provide 500 shelter units for women and children. But our commitment goes beyond funding.

The government has built up an impressive legislative record with amendments to the Canada Pension Plan, to the Pension Benefits Standards Act, to the Old Age Security Act, to the Indian Act and it enacted the first national Employment Equity Act. The list goes on and on.

The government has more than doubled the number of women appointed to federal boards, agencies and commissions.

The government has increased the number of women working at the deputy minister level from seven in 1984 to 21 today.

We have everything to be proud of, so I find pathetic the litany of gloom I hear from across the way. Let them measure their record against ours. I know what the outcome will be.

[*Translation*]

When the Prime Minister appointed me Secretary of State, he gave me the mission to do what I could to make equality a reality for all Canadians. Needless to say, real equality must include the group which makes up more than half the population of this country: Canadian women. That is exactly what the government has been doing over the past six years. We have done more for equality than any government before us.

Nevertheless, in hard times, one must make hard decisions. We cannot avoid them. The people of this country expect the government to be responsible.

• (1040)

[*English*]

As part of the government-wide expenditure reduction measures, my department's women's program budget was reduced from $11.2 million to $9.6 million. This reduction was part of an across-the-board effort affecting many departments. We simply must make sacrifices now to be able tomorrow to have the strong Canada we all desire.

Ms. Clancy: What do you mean "we"?

Mr. Weiner: This government recognizes the vital role women's centres play in the communities they serve and is committed to ensuring that they continue to carry on their activities.

[*Translation*]

The government knows and appreciates the activities organized by these centres. The women's centres are an important tool for the advancement of equality.

We have funded them and will continue to do so, to help them continue their invaluable efforts in this area. I would urge women's centres to apply for assistance for specific projects, and I can assure them they can also receive funding for the administrative costs involved.

[*English*]

This is the kind of funding that I announced yesterday in the House for the Second Storey Women's Centre in Bridgewater, Nova Scotia.

Ms. Clancy: Playing off one group against another.

Mr. Weiner: Women's centres will have priority in accessing project funding so that they can maintain their ability to carry out their activities that are mostly in their community—

Ms. Mitchell: Point of order, Madam Speaker.

The Acting Speaker (Mrs. Champagne): Order. I have a point of order from the hon. member for Vancouver East.

Ms. Mitchell: I am sorry to interrupt but I really feel I have to. I wonder if the minister would entertain a question on the point that he is making.

The Acting Speaker (Mrs. Champagne): I can ask the hon. minister if he will entertain a question at this time, but there will be a period for questions and comments after the hon. minister has completed his intervention, when I will be delighted to recognize the hon. member. The hon. minister.

Mr. Weiner: I have instructed my officials to deal with these applications on an urgent basis. For years some 20 centres across the country have been securing project funding from my department. With this assistance they have carried out excellent work and made a significant contribution to their communities.

[*Translation*]

I cannot repeat often enough how important it is for the government to see women's groups diversify their funding. The Women's Program is not the sole source of financial assistance. Other federal departments such as National Health and Welfare, Employment and Immigration, Labour Canada, Justice and the Solicitor General's Department provide assistance as well.

Many provincial governments also appropriate funds for this purpose. Furthermore, an increasing number of women's groups are funded by other programs at the Department of the Secretary of State, including Multiculturalism, Official Languages, Native Women and Disabled Persons Participation.

My department's Women's Program is intended to help women's organizations that are working to promote equality. Let me assure you that the centres will continue to receive assistance for any specific projects that are eligible.

The program has never directly funded health or social services. I want to make it quite clear that the Women's Program is not, and has never been, responsible for subsidizing shelters for battered women. Consequently, the decision with respect to funding for women's centres does not affect battered women, since this type of service is not included in the program's terms of reference.

[*English*]

The fact is that these vital services for some of the most disadvantaged Canadian women are funded at the municipal or provincial levels with the assistance of other federal government departments.

I want to be very clear about this. It is not within the mandate of the women's program of the Secretary of State to fund services for sexual assault victims or rape crisis centres. This program has never had a mandate to provide these kinds of services. It was not created for this purpose.

I would also like to make it clear that the majority of women's centres have survived in this country without core funding from the women's program.

What kinds of projects are funded by the women's program? Let me give you some examples. There are single mothers working to improve their economic opportunities; rural women developing information networks; immigrant women enhancing their skills; voluntary organizations working on child care issues; and women with disabilities organizing workshops on violence.

These few examples give the true flavour of the women's program. It is a program that meets contemporary challenges by assisting women and their organizations. This government takes its responsibility to fund women's centres across the country very seriously.

[*Translation*]

Considering the important role played by these centres, I believe the provinces should do their fair share. I had a meeting last week with the Hon. Philip Warren from Newfoundland and this afternoon I will be meeting the Hon. Violette Trépanier from Quebec. My colleague, the minister responsible for the Status of Women, is having talks with the Hon. Carol Gran from British Columbia.

[*English*]

The women's centres and I share a common objective. We want the centres to remain open. I have provided the means for keeping the centres open. Let us take advantage of this opportunity—

Mrs. Maheu: You've cut the programs.

Some hon. members: Oh, oh!

The Acting Speaker (Mrs. Champagne): I regret to interrupt the hon. minister.

I am sure that when members of the Opposition take the floor they will want to be heard and would certainly not be happy with the Speaker should the Speaker allow raucousness while they are speaking.

I would like hon. members to extend the same courtesy to the hon. minister.

Mr. Weiner: I thank you for the intervention, Madam Speaker.

Ms. Clancy: Poor little, Gerry.

Mr. Weiner: I have had the pleasure of meeting with representatives of women's centres. I will continue to look for opportunities to meet representatives of women's centres. I have a number of meetings scheduled for next week. I am willing to talk. I would like to have a dialogue.

Ms. Clancy: Why don't you meet with the NDP women?

Mr. Weiner: There is a reality. The core funding, as some have described it, is discontinued. Increased program funding is available, with what I have described as very flexible criteria.

The program covers some admissible expenses as part of the program. I am very concerned. I have indicated that I want the centres kept open. There are others who have the same interest. There is a growing coalition of people who are interested in being supportive—and finally stop trivializing the importance of these activities.

Ms. Mitchell: You are the one trivializing.

Mr. Weiner: I have indicated that as quickly as applications can be completed, I will make sure that those applications are fast-tracked so that the money can be flowing to the centres. I am not sure what more anyone could expect, but I think that the individuals who have the concern of the women's centres at heart and the women's program should do all they can to help these initiatives come forward.

These are not easy issues for any one of us, and I know how concerned all members of Parliament are that we do the right thing.

What is interesting is that there is a very important program available through the Secretary of State. As I have indicated, within the Department of Multiculturalism and Citizenship, we have made available almost $1 million through the program to immigrant women and visible minorities. There is over $2 million in the aboriginal women's program. There is increased funding for the disabled persons' program, and we know that almost 65 per cent of disabled people are women.

It is very important as we look at the over-all capacity of my ministry to respond to the growing needs of women in finally addressing the inequalities of the society that we be given the opportunity to help our client groups.

One thing that has been recognized has been the very positive and effective role that the staff and officials have always played in terms of their desire and their ability to serve their clients. It has been recognized by the people we serve that we have been easy to work with and that we have tried to be helpful wherever we could. This is the message that my regional people have tried to get out.

• (1050)

My associate undersecretary spent three or four days in Newfoundland attempting to help the several women's centres there bring forward their applications. I sense an openness on their part to come together, an openness to see how the project and the program funding can help them carry on.

What is even more important is that I see for the first time, a willingness on the part of Canadians from coast to coast to come together to make sure these important

initiatives are allowed to carry on for the benefit of all Canadians.

Some hon. members: Hear, hear!

The Acting Speaker (Mrs. Champagne): Questions or comments? The hon. member for Mission—Coquitlam.

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, I invite all the heckling they can muster on the other side of the House, if it makes them feel better. It certainly makes me feel better.

I would like to ask the minister some questions and, again, I would also like to set the record straight. When I have completed I would appreciate it if the minister would tell me how he expects women's centres to utilize program funding when they don't have core funding to pay the rent.

I would also like to point out to the minister that women's centres received five weeks' notice before their core funding was completely cut off. Five weeks is not nearly enough time to replace tens of thousands of dollars of funding. It is evident that obviously this government could not care less what happens to these centres.

The minister gave us a long list of the things that this government has done for women. I would like to talk a little bit about what this government has done for women lately.

I would like to talk about the fact that it reneged on its promise of a new child care system.

It proposed a recriminalization of abortion and removing women's reproductive choice.

It has called a .5 cent reduction in the wage gap between women and men a victory of the employment and equity legislation.

It has proposed a 7 per cent goods and services tax on everything from postage, books, tampons, haircuts, movies to transportation.

It has traded away women's jobs in the electronics, food processing and textiles industries.

It has backed out of its responsibility for unemployment insurance.

It has provided funding for the building of transition houses and shelters, but provided no assurance that there will be funding for programs.

It shut women out of the consultation decision-making process.

It spent more money on loans to strip clubs than to women's groups.

It continues with an immigration policy which favours rich men, and it continues to discriminate against immigrant women in federally funded language training programs.

It has refused to fund women's work on reproductive choice, lesbian rights and the environment and peace.

It has decreased funding for women's groups in the last two years by $3.6 million.

This government, I am sure, is very proud of that record.

Mr. Weiner: Madam Speaker, I am not sure I heard a question. I did hear the member tell me that she did not understand what I said about core funding. That is what I heard.

Ms. Langan: Point of order, Madam Speaker.

Mr. Weiner: She asked me to help her, Madam Speaker.

The Acting Speaker (Mrs. Champagne): A point of order, the hon. member for Mission—Coquitlam.

Ms. Langan: Madam Speaker, as point of clarification for the hon. minister, I would like to point out that I did not ask for clarification. I asked him how he thought women's centres could—

The Acting Speaker (Mrs. Champagne): That is not a point of order. We are getting back into debate. The hon. minister has the floor.

Mr. Weiner: Madam Speaker, I want to be very careful so that I can help not only the member for Mission—Coquitlam, but perhaps other members and all Canadians who are watching.

I would like to talk about the words "core funding" and what they mean. I have heard in the last week or two how some may not be able to operate if these words are not reinstituted in the lexicon or the vocabulary of the ministry. Certain expenses, such as rent, lights, administrative overhead, staff—is that what the members mean by "core"?

What I am saying is that the criteria of program funding are flexible enough to allow those expenses as admissible expenses. If your funding ended on March 31, and I have indicated that we have increased project funding available for all the women's centres—not necessarily only for some that were funded in the

past—then please help yourselves. Help me to make sure that you can continue to provide the very essential service that you always have because you know there was a time not that long ago when that gang was in office and you got nothing.

Ms. Langan: Not true.

Ms. Clancy: You're rewriting history.

Mr. Weiner: We recognize the importance of what you are doing. Frankly, I am saying that I am here to help you complete the applications.

We had an example concerning Bridgewater, Nova Scotia. I received an application on Tuesday. We approved it Wednesday. The cheque was delivered.

Ms. Langan: It was a Tory riding, too.

Mr. Weiner: What better way can there be of guaranteeing continuity?

In addition, with respect to Newfoundland I was so thrilled that I received three pages faxed to me of new-found supporters of the women's centres, some of them putting money in envelopes.

I said: "Look at what we have done, look at the benefit. A coalition of Canadians, governments at all levels, private and public sector, all interested finally in guaranteeing the sustenance and the future growth and support of the women's centre. Look how important it has become now".

I will tell you, Madam Speaker, never will anybody trivialize an activity. We have the commitment of the whole community. This is Canada speaking. Wake up to the benefit of what is taking place.

Ms. Mary Clancy (Halifax): Madam Speaker, since the minister is obviously telling us this morning that project funding has turned into core funding—only the names have been changed to protect the innocent—I wonder if he could tell us if everyone who got funding under core funding is now going to get funding under project funding. What is going to happen to the people under project funding? Has the pie increased? Have we got so much money now that you are just changing the names? What is the story?

Mr. Weiner: I thank the member for allowing me another moment or two for further clarification, Madam Speaker. I tell you the first requirement of having an application approved is to complete the application form.

Ms. Clancy: We knew that.

Mr. Weiner: As far as we are concerned, our officers from coast to coast at the most senior level have been open and willing to do this seven days a week. I think it is very well recognized by the centres, and in particular the women from coast to coast, how able we are to do that. As far as I am concerned, as quickly as the applications are completed projects will be approved and the money will flow.

Ms. Clancy: I didn't ask that question.

Mr. Weiner: I am waiting very, very patiently for all of the applications. I do not open files. There is opportunity now from coast to coast. New program funding is available. Our officers stand by ready and willing as they always have to be helpful. As I have indicated, they are recognized to be the most helpful people anywhere in the country.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would like to ask the minister if he has talked directly to women who are working in women's centres, particularly the women in St. John's, Newfoundland, and British Columbia who have been so concerned and who have been trying to meet with him through the office of the Secretary of State. As well, has he talked to the the women in the Yukon and those women who are facing the closure of centres? A number of centres have already closed, as he should know.

Those women are saying over and over again that they cannot keep the door open. It is fine to talk about short-term program funding with a little token administrative cost on top, but that is not what we mean and he knows that. It is not what women mean either. It is for funding to keep those centres operational. Program funding is short-term.

I want to ask him if he has met with any of the women specifically, particularly women who are not Conservatives. If he has not, will he meet with them?

The Acting Speaker (Mrs. Champagne): It will have to be a short answer from the Secretary of State.

Mr. Weiner: Madam Speaker, the answer is yes.

[*Translation*]

Yes, in both official languages and I am very honoured to be taking part.

• (1100)

[*English*]

I will be meeting again with women from women's centres this week as I have before. I have been very active since I have been in this portfolio, and indeed in the last months. I have been very quick to want to meet and carry on a dialogue with all the people working with our program.

In addition, it is important to note that I have now had the pleasure of meeting with one or two provincial ministers. I am pleased to see that we are all interested in bringing forward a process that will guarantee, community-wide, the support and sustenance of this very worth-while organization.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being eleven o'clock, pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

WORLD HEALTH DAY

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Madam Speaker, April 7 is World Health Day. This year, the theme will be health and the environment, and the slogan: "Think globally, act locally".

Together many countries throughout the world, Canada will continue to examine the extremely complex relationship between the environment and public health—whether we are talking about air or water pollution, the quality of food or promoting safe use of chemical products.

As a society, we have learned the hard way that we cannot go beyond certain limits without endangering our own health and that of other living creatures.

I would ask you and your constituents to stop and think a moment about your priorities. Are we doing enough? I would say that in many cases we are not. Let's not just dream about a healthy environment. Let's make it happen.

* * *

[*English*]

EMPLOYMENT AND IMMIGRATION AWARD

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, my colleague, the hon. member for Glengarry—Prescott—Russell, and I would like to congratulate the staff of the Cornwall management area office upon receiving Employment and Immigration Canada's 1989 Outstanding Team Award in the management area category in recognition of their excellent work and valuable contribution to the communities in this region.

The team, led by manager Denis Thibault, has met or surpassed project goals and targets for the last three years, consistently keeping within their budget while providing a client service built on dedication and respect for both employers and the available workforce. The team motto is "Our commitment is service", and they have certainly proved that.

The office installed computerized systems to upgrade operations in the employment, insurance, claims and administration sections and created an extensive catalogue of employers and data on the job market. This led to increased job placements and better service for workers requiring assistance.

On behalf of the people of Stormont-Dundas and Glengarry-Prescott-Russell, we wish to thank the team and congratulate them on a job well done.

* * *

THE CONSTITUTION

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, this country is once again facing a period in our history when we are all being called upon to be show tolerance and understanding of our fellow Canadians.

During the next several months we will attempt to amend our Constitution to take another step forward in the development of the Canadian nation. We are not taking the last step forward. This is not the end of the process of constitutional renewal. We must all refrain from taking rash or negative actions. It is a time for building on the progress that has already been made. It is not the time to destroy the work of others.

I am looking forward to the next few months as all Canadians productively put forward their views on the constitutional renewal of Canada.

* * *

HEALTH

Mrs. Beryl Gaffney (Nepean): Madam Speaker, as the B.C. newspaper *The Province* put it yesterday, the only thing certain about the Meme breast implant is that doctors and scientists are uncertain about it. At least five scientists in the Department of National Health and Welfare urge that the implant be withdrawn from the market.

The minister claims the Meme is safe on the basis of the Kerrigan report, yet yesterday the minister acknowledged that even Dr. Kerrigan believes that further studies are warranted to address the possible degradation and contents of the foam. This is the main concern and no one seems to be able to say the foam is safe when implanted into the human body.

I am not fearmongering as the minister has suggested. I am trying to get answers to critical questions. Surgitek of Montreal is the only Canadian distributor of this product. The foam itself is imported from Pennsylvania and since 1984, 12,000 implants of this particular product have taken place, 10,000 of those implants in the province of Quebec alone.

I urge the minister to order the withdrawal from the market of the Meme until safety has been proven.

* * *

GOODS AND SERVICES TAX

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, next week members of this House will be voting on the goods and services tax, a tax that close to 80 per cent of Canadians have said they oppose. This government has chosen not to listen to the polls, but perhaps government members will listen to their constituents.

Only 21 of 167 Conservative members are needed to vote with the combined opposition parties to defeat the tax. We urge Canadians across the country to phone their Conservative members of Parliament, raise this issue with them and tell them they oppose the tax.

In Saskatchewan, people in Kindersley—Lloydminster can phone their member by calling 882-3959; in Souris—Moose Mountain, 634-5988; in Swift Current—Maple Creek—Assiniboia, 773-2887; in Regina—Wascana, 780-5555. In Manitoba, they can phone the member for Provencher at—

The Acting Speaker (Mrs. Champagne): The hon. member's time has expired.

* * *

WORLD HEALTH DAY

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, April 7 is World Health Day. This year the theme is "Health and the Environment".

Recent environmental disasters such as the Hagersville tire fire emphasize the need for all countries to examine and begin to address the environmental hazards that may pose continuing health problems for future generations of Canadians.

Canada is in an enviable position with its high standard of living, its excellent health and social services system and its incredible supply of natural resources. But we all know that no country can afford to be complacent. We must work hard to preserve what we have and ensure that our environment is a positive force for healthy living.

I would urge you all, both as individual Canadians and as members in your own communities, to think globally and act locally, and to urge your friends, your families and your constituents to do the same.

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UNIVERSITY OF MANITOBA CONFERENCE

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I rise again to bring to the attention of this House the reaction of Canadians of the Islamic faith to current public usage of the term "Islamic terrorism", in particular with reference to an academic conference scheduled to take place this month at the University of Manitoba.

Although I am fairly sure that this phrase was not developed to deliberately insult or demean the Islamic faith, and although this unfortunate term has been used in other parts of the world and in connection with published works, it should be clear to us in Canada that this term derives from insensitivity and ignorance. For example, terrorism in an Islamic country is not more

Islamic than terrorism in northern Ireland is Catholic, or terrorism in Israel is Jewish.

Our continuing challenge in Canada and elsewhere in the world is to enhance our inter-cultural and inter-religious sensitivity and respect.

I am pleased to note that organizers of the conference on terrorism are incorporating into that conference a session which will reflect the principles of peace and brotherhood which underlie the Islamic faith.

* * *

UNEMPLOYMENT INSURANCE

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, many fishermen and plant workers, both men and women, have not been able to obtain unemployment insurance benefits this winter because the Liberal senators delayed approval of Bill C-21.

The non-elected Liberal appointed senators used all kinds of tactics to block this important legislation, preventing the application of the new measures included in the bill.

Who suffered and are still suffering? Certainly not the Liberal appointed senators, certainly not the Liberal opposition members, but the people living in 15 fishing communities on the lower north shore. They are the ones suffering because of that injustice.

These hard working and decent people are asking the Liberal senators: Why the delaying tactics? They want to know why they are held hostage because of political partisanship. They tell me that they are fed up with partisan politics being carried out on their backs. They want this bill to go through.

* * *

TOURISM

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, tourism is the largest growing business in Canada, and this government is set on a course to destroy it.

Since 1984, the size and capabilities of the federal Department of Tourism have been steadily reduced by 75 per cent. The cuts to VIA Rail will effectively keep people from visiting many parts of this country. This all comes at a time when support for the industry should be increasing in order to accommodate the world-wide rapid growth of tourism.

But most devastating of all is the proposed goods and services tax with its ill-conceived rebate which will be an absolute nuisance to travellers.

• (1110)

We have heard nothing but complaints from tour operators over this tax. As a result of an across-the-board 7 per cent sales tax on such items as hotel rooms, attractions and motor coach charters, many tour companies will no longer be able to market Canada as an affordable destination. A loss of tourist revenue translates into a loss of jobs.

I urge the government to stop this assault on the tourist industry by scrapping this tax and doing something for this country.

* * *

GOODS AND SERVICES TAX

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, on Saturday, Canadians can vote for or against the goods and services tax in malls and public places throughout Canada. On Monday, they can vote at their workplace. I suspect they are going to vote against it; at least the opportunity is there.

But what about Parliament Hill? We in the NDP have set up a balloting station here on the Hill. To be specific, it will open on Monday at 10 a.m. in the Commonwealth Room right here in the Centre Block. We are inviting staff, visitors on the Hill and MPs to vote.

As a matter of fact, I would like to specifically invite the Tory MPs, the back-benchers, to come and vote on Monday at ten o'clock. It is a secret ballot. I know many of them would like to vote against the GST; here is an opportunity.

* * *

FEDNOR

Mr. John A. MacDougall (Timiskaming): Madam Speaker, on budget night the opposition members from northern Ontario said that the FedNor economic development program was gone. This morning, the hon. Minister of State for Small Businesses and Tourism announced in Sudbury that an additional $14 million

would be allocated to FedNor initiatives for a total of $69 million that has been allocated to northern Ontario.

That means that to date $20 million has been spent, 260 businesses have been developed and 1,350 jobs have been created. For those in the opposition who feel FedNor is gone, this is the first time that any government has recognized northern Ontario with a special program and I applaud the government for doing so.

* * *

GOODS AND SERVICES TAX

Mr. Jim Peterson (Willowdale): Madam Speaker:

Tuesday in Toronto
Baseball will begin
The Blue Jays take on Texas
Our team is going to win.
Blue Jay fans will gather
The Skydome will be full
The PM is attending with
President Bush in tow.
But there is more than baseball
As all Canadians know
The GST is going
To strike a lethal blow.
So let us shout our message
Loud and clear and slow:

Some hon. members:

Hey hey ho ho
The GST has got to go.

Mr. Peterson:

Oh! somewhere in this favoured land the sun is shining bright;
The band is playing somewhere, and somewhere hearts are light;
And somewhere men are laughing and somewhere children shout,
But there is no joy in Canada, Mulroney has struck out.

Madam Speaker, I invite you to join with me as we all shout:

Some hon. members:

Hey hey ho ho
The GST has got to go.

* * *

GOODS AND SERVICES TAX

Mrs. Pauline Browes (Scarborough Centre): Madam Speaker, in today's *Ottawa Citizen* Liberal Senator Sidney Buckwold indicated that senators may likely delay the GST legislation.

Is the unelected Liberal senator saying that they will again attempt to block crucial government legislation for purely partisan purposes? I am sure that Senator Buckwold can recall his own words before a special joint committee on Senate reform. Senator Buckwold stated that the House of Commons is supreme. He also said: "Ultimately, in the case of a disagreement, the will of the House of Commons would prevail".

I hope the senator and his Liberal colleagues come to their senses and not only pass the GST legislation expeditiously but also pass C–21 so that Canadians can soon have the benefits of the law that that will bring.

* * *

THE SENATE

Mr. David Walker (Winnipeg North Centre): Madam Speaker, I rise on a serious matter dealing with Senate reform. Last night the Prime Minister dealt another blow to Senate reform in the country when he said that he could not possibly accept an elected senator from the province of Alberta.

In a weird rearrangement of Canadian logic, he said he was elected by millions of people, the senator was only elected by thousands and that until he saw a new process in place completely, he would not accept an elected senator.

I would like the Prime Minister to use the House to explain to us how Meech Lake precludes an elected senator from Alberta. By denying Albertans the right to have another member in the Senate, he slows down the constitutional process and becomes the No 1 Dr. of Canadian politics.

GOODS AND SERVICES TAX

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, next week members will be voting on Bill C–62, the goods and services tax. Close to 80 per cent of Canadians across the country oppose this tax, but the government has chosen not to listen to the people. Canadians rightly believe that this tax, if passed, will result in higher taxes, higher inflation, higher interest rates, and higher unemployment.

The main supporters of this tax are big business, the income taxes of which are being reduced. The government has used closure at the committee stage and now for final reading of this bill in the House of Commons. I suggest that it is doing so at its own peril.

We are urging Canadians across the country to phone their Conservative members of Parliament to tell them to vote against this bill. For example, constituents of Simcoe Centre told me Tuesday that their member said publicly that she does not listen to her constituents on the GST because they do not know what they are talking about.

If she did say that, I for my part call on the member of Parliament for Simcoe Centre, whose phone number is—

Mr. Speaker: The hon. member's time has expired.

ORAL QUESTION PERIOD

[*English*]

GOODS AND SERVICES TAX

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister.

All across the country we have seen an unprecedented level of opposition to the government's goods and services tax. The ranks of discontent are growing from one end of the country to another. We see growing discontent in the Conservative ranks, in the Conservative caucus.

The more the government tries to explain this tax, the less Canadians like it. Eighty per cent of Canadians are now opposing the government's goods and services tax. If more and more Canadians are so fundamentally opposed to this tax, does this not mean there is something fundamentally wrong with it?

Why will the Prime Minister not listen to Canadians and withdraw this tax now rather than try to force it through the House and shut off debate?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we were elected by the people of Canada to lead and not to follow. We are going to lead even though the subjects are difficult and even though it means the government accepting a substantial degree of unpopularity, because doing what is right for the nation oftentimes means doing things that are difficult and unpopular.

Since 1924 there have been five Royal commissions or task forces telling the Parliament of Canada to get rid of the pernicious manufacturers' sales tax which we presently have. There was all-party agreement that the manufacturers' sales tax had to go. We agreed to get rid of it. The Liberals and NDP changed their minds because they are followers and not leaders.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, this government was elected to do what is right, but why does the Prime Minister not understand that what is right certainly depends not just on his personal judgment and that of his caucus but on that of Canadians? And, 80 per cent say what he wants to do is not right

Canadians are also saying that they do not believe the Prime Minister and his government when they say that the goods and services tax will not have much effect on inflation. Canadians know that when all of a sudden they start paying more tax on more things than ever before, they have less money in their pockets.

It is not surprising that workers in this country are taking steps now to protect themselves against the inflation this tax will bring and to protect themselves against the loss of purchasing power this goods and services tax will bring.

Why will the Prime Minister and his Minister of Finance not admit today that this tax will cause more harm to the economy, more inflation, more damage than they have so far been willing to admit, and withdraw this tax? They should listen to Canadians when they say: "This tax is not right and we want the government to do what we have in mind on this essential subject".

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Liberal Party challenged the Minister of Finance to a debate on this matter in Edmonton. The Minister of Finance went out and took on the finance

critic from the Liberal Party, and we have not seen him in the House since.

• (1120)

Some hon. members: Oh, oh!

Mr. Robichaud: Cheap, cheap. That's a lie.

Mr. Speller: Lie.

Mr. MacDonald (Dartmouth): Lie.

Mr. Mulroney: The fact of the matter is that when challenged the Liberal Party said that what it was going give was more of the same: a manufacturers' sales tax that imposes a 13.5 per cent unfair burden on the backs of Canadian producers and that subsidizes imports so that importers can steal Canadian jobs.

We are making difficult and important but beneficial structural changes in the economy. We know that while it is unpopular today, it is in the national interest and, when given the choice during an election campaign between a party that took the tough decisions and a party that chose to hide its head in the sand, Canadians will vote for the Conservative Party.

Some hon. members: Hear, hear!

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the quality of what the Prime Minister is saying is demonstrated by the gross inaccuracy of his statement that the finance critic for the Liberal Party has not been in the House since the debate with the Minister of Finance in Edmonton. That is simply not true. The finance critic has been here continuously asking questions of the government on the goods and services tax, which the government has been unwilling to answer.

[*Translation*]

So I want to ask the Prime Minister: If his GST is so good for our economy and the present sales tax is so damaging, why did his government raise the present sales tax four times? Why, Mr. Speaker?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition surprises me. For almost 50 years, five royal commissions or rather, parliamentary task forces have advised Parliament to get rid of the pernicious tax we have today and replace it with a tax on consumption.

Mr. Robichaud: You raised the tax four times.

Mr. Mulroney: The hon. member has been sitting in Parliament for a quarter of a century. He knows perfectly well that everyone agrees the existing tax is pernicious and damaging to the economy, both our national economy and that of Quebec or Alberta. We received unanimous recommendations from the various political groups in this House. The government, well aware that such action is not popular, then proceeded to get rid of a pernicious tax that is damaging to Canada's economy. We took this unpopular action, and lo and behold, the opposition changed its mind. Instead of supporting the government in a major initiative that will promote economic development in this country and create jobs for our young people, the Leader of the Opposition has taken his party back to the past instead of leading it to the future. Canadians, however, will vote for a government that faces the future, a new future for our young people.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, in the absence of the Minister of Finance, my question is directed to the Prime Minister.

Letters from 29 grade four students, co–signed by their parents and with a covering letter from their teacher, Mrs. Donna Cohen of Elwick Community School, reached my constituency office this week. All fear that tax on books will make their education suffer. They have asked me to tell the Prime Minister: "Don't tax reading. Have a heart and listen."

Will the Prime Minister listen to the plea of these school children and accede to remove the GST on books? Would he listen, as well, to the sentiments of their parents expressed eloquently by one of them, Mrs. Poitras, who said: "Illiteracy is slowly becoming a problem of the past, don't make it a problem of the future"?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, to follow up on what the Prime Minister was saying, we have chosen a modern method of taxation which is very good for the country and which has been chosen by 48 other countries.

We have organized it in such a way that it will be fair to lower income people. We need to proceed on a very wide base and then give credits to lower income people so that they can make their choices. A family with an income

below $30,000 will be better off after reform than it was before.

This is a modern reform. It will help the economy, and it will continue our effort to extricate Canada from the awful situation the Liberal Party left us in, in 1984.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, if those school children and their parents were here, it would be very simple for them to tell the minister that he did not answer their plea; he did not answer their question.

My supplementary question is for the same minister. Perhaps this one will be answered directly and correctly.

Treatment of depression and behaviour disorders is lengthy and costly. Under the proposed GST psychoanalysts who are not physicians will have to tax their patients for the same treatment provided tax-free by psychoanalysts who are physicians.

Will the minister rectify this inequity by exempting all health care professionals from taxing their patients under the GST or, better still, by scrapping the GST altogether?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, we are not going to scrap the GST because it is a necessary, good and modern way of dealing with a problem.

Referring to his particular area of concern, we do not want to use the tax system to change the organization of life in Canada. At the present time, the provinces have a responsibility to determine which services are accepted under health care. We have decided that whenever two provinces make a decision that a particular service is covered, we will do the same.

* * *

WOMEN'S CENTRES

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, my question is for the Secretary of State. Fifteen women demonstrating in the corridor outside the twelfth floor door of the Secretary of State's Vancouver office yesterday were dragged away and are to be charged with assault by trespass.

Women across this country are being forced to risk criminal charges and conviction to let this minister know how devastating his cuts to women's centres are.

Will the minister meet with representatives of women's centres about the cuts?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, the answer clearly is yes. I have met with representatives of women's centres; I will meet with them; and I will want to continue to meet with them.

As far as the specifics of any incident are concerned, we understand that there are a lot of documents kept in the offices of the Secretary of State. The confidentiality of our clients is at risk. We must consider the security of our staff, who have provided excellent service to their clients through the years, and the client groups recognize how well they have been served.

Indeed, in this period some of them have been intimidated, hassled and harassed, not necessarily by the women themselves, but that is part of what has been taking place.

The administration has determined that we should be able to continue to operate and serve our clients well with some kind of security. I am not in charge of the security but the Undersecretary of State will continue to look after that and, I am sure, monitor it very carefully.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, does the minister not feel that dragging 15 women away from a locked door with people behind it is not intimidating, is not fear invoking and is not much of a response when one asks whether and when the minister will meet with women?

He says he has met with representatives of women's centres. He has never met with a representative of a women's centre in British Columbia. I would like to know where he met with women.

I would also like to know when he will respond to the letter from the hon. member for New Westminster—Burnaby about whether he will meet with the women MPs of the New Democratic Party, or are we too intimidating?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I have been willing to meet with as many of

the groups that we serve as is possible. I am always interested in maintaining an open dialogue.

I have indicated quite clearly that all Canadians recognize how important a function women's centres fulfil and how essential it is that they continue to provide the opportunity for women to gain full equality in our society.

We have made progress, and maybe this is an important day to take the opportunity to examine what progress has actually been made. This government has a significant record of achievement. The appointments of women we have made to agency, boards and commission have more than doubled. The number of women at the deputy minister level has risen from seven in the 1984–85 period to more than twenty-one today.

Never again will women's programs or the activities of women be trivialized as they were in the days when the group opposite ran the government.

• (1130)

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I am sorry that the hon. minister was not able to tell New Democratic women MPs when he would meet with us. However, we will see how many women in Canada are convicted under this government.

My third question is for the Minister of National Health and Welfare. Yesterday, the Minister of Finance gave his assurance to my leader that should any province decide to penalize those on social assistance by deducting money from welfare benefits to compensate for their receipt of the GST rebate, he knew that all members of this House would roundly criticize that approach.

We have information, Mr. Minister of Health and Welfare, and I would like you to confirm this, that the government of Quebec is currently deducting $3 per adult per month, $5 for each of the first two children and $1 for each subsequent child from benefits given to social assistance recipients from federal sales tax credits and child tax credits. Would the minister please advise this House what he intends to do about it.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, when benefits are paid by the federal government to welfare recipients, we have a concern if provinces do not allow those benefits to be passed on. In cases where this occurs, we attempt to encourage the province to reconsider its policy to ensure that the full benefit goes to those people who are intended to receive it from the federal government.

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the Secretary of State. Yesterday, his department announced funding for the Second Storey Women's Centre in Bridgewater from his department's project funding.

Can the minister assure the women of Canada that every group who lost core funding will receive comparable funds from Secretary of State's project funding and, more important, that women's groups are not being forced to compete with each other for ever decreasing funds.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I have indicated very clearly, both in the House and outside, that there is increased program funding available. I have indicated that the program criteria have been opened up very carefully so that expenses which were previously admissible, under what some considered core funding—and hopefully I have helped everyone understand what that means—are now admissible under the project or program funding.

In order for the money to flow, in order for us to be able to help the women's centres continue to carry on their very vital activity, they must complete the applications. The applications must be sent in and then be approved and cheques will flow as they did to South Shore, where the Bridgewater Second Storey Women's Centre probably has its money this afternoon, with only a two-day delay from the time we received the application.

Ms. Mary Clancy (Halifax): I only wish that the hon. the Secretary of State had had the benefit of attending the "wiener roast" that the women of Halifax held last Monday.

[*Translation*]

My supplementary question is also for the Secretary of State. The minister told us that women's groups now receive project funding. Can he explain why women who were demonstrating very peacefully at the Secretary of State's office in British Columbia were arrested yesterday?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I greatly appreciate the hon. member's willingness to participate in projects to support women's centres. Recently in Newfoundland, I received three pages from individuals or groups who came together and they are all prepared to contribute to the vitality and future development of women's centres. I think it is important that all Canadians do their part. Not all women's centres are supported by the government.

Ms. Clancy: What about the group of B.C. women that were arrested yesterday?

Mr. Weiner: Everyone knows that some of these centres are supported by the government; however, more of them are not supported by us.

* * *

REGIONAL ECONOMIC EXPANSION

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, my question is for the Minister of Labour. The minister knows that the people of southwestern Montreal are eagerly waiting for the government's response to the recommendations of the southwestern Montreal employment and economic recovery committee (CREESOM). In February, the minister promised that the government would respond by the end of March. Can he tell us today how the government intends to support the initiatives of the local community?

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transports)): Mr. Speaker, the hon. member for Saint-Henri—Westmount should know that for 20 years, his party let the economy of Montreal deteriorate to such an extent that the number of jobs in the Montreal area continually declined while his party was in power. Our government has only been in power for five years, but employment in Montreal has increased considerably and, as we have shown in the past, we are aware that some regions of the Island of Montreal need additional help to make up for what was not done during those 20 years.

When we got requests for help from the east end of Montreal, we responded to the satisfaction of those concerned, except that we would like to do even more to assist those who cannot enter the labour market now because they lack the necessary preparation and need training. So would he kindly tell his colleagues in the other place to pass Bill C-21 as quickly as possible?

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, the minister did not answer the question. He knows people have now been waiting since November for the government's reply. In February, he told us we might get an answer by the end of March. Could he perhaps tell us today when the people of Southwest Montreal will receive the government's response to the CREESOM Committee's report on economic recovery and employment in Southwest Montreal? When will we have a reply from the government and the minister?

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transports)): Mr. Speaker, for reasons I mentioned earlier, we are giving very serious and careful consideration to our response to the CREESOM report, a response that will be aimed at correcting the same inequities the hon. member's party allowed to develop on the Island of Montreal for 20 years. An important aspect of our response to the CREESOM report concerns the issue of worker retraining and adjustment, and we waited as long as we could, in the hope the Liberal Party would change its mind. Considering the harm being done to people who are now unemployed and are waiting for retraining, we thought the Liberal Party would be able to persuade their colleagues in the other place to pass Bill C-21, so that we could provide the best possible response to the demands of Southwest Montreal. However, since that does not seem to be in the cards, we will have to give the right response just the same, in the next few weeks. I can assure you, Mr. Speaker, that the members of CREESOM will be very pleased with our response.

* * *

[*English*]

REGIONAL DEVELOPMENT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is for the Minister of State for Finance.

The economic policies of this Conservative government are having their desired effect. We have seen impossibly high interest rates, cuts in regional economic incentives, cuts in transfer payments for health and post-secondary education, cuts to UI and now we are seeing cuts in equalization payments to four provinces. For example, Prince Edward Island is going to lose $18 million, more dollars than they have lost already through Tory budgetary measures which will put P.E.I. into a

deficit position because of this reduction in equalization payments. That province's finance minister has said it shows the direction the federal government is going, the provinces are being squeezed.

When is this government going to stand up for the poorer regions of this country?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, the record of this government stands for what we think about poorer regions of Canada. I will tell the hon. member that the results are what it is all about. This morning, the unemployment statistics are the lowest they have been since 1981.

Some hon. members: Hear, hear!

Mr. Loiselle: How is that for devastation?

Of course, a lot remains to be done and this is what we are proposing to this House by modernizing our fiscal system, modernizing our trade with the free trade agreement, organizing our economy so that the full force and capacity can be there to serve Canadians. The government has a major role to play and is playing it and I am very proud of our decisions, particularly concerning the lower income regions of Canada.

• (1140)

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, the unemployed and the people in the fishery in Newfoundland do not quite agree with what the minister is saying. They and the farmers in Saskatchewan, women, women's groups, native Canadians and the poor are all feeling the cuts in their pocketbooks, and their families are feeling the cuts, too.

How do you have the nerve to tell Canadians families—

Mr. Speaker: I ask the hon. member to put his question.

Mr. Axworthy (Saskatoon—Clark's Crossing): I ask the minister, how could this government possibly have the nerve to tell Canadian families, who cannot make ends meet, that they will be better off with less? How can less be more?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, the responsibility of this government is to ensure that the services the government has to provide to the population are there. The best way to do that is to get our fiscal house and economy in order. There are no short cuts.

I remind the hon. member that in our last budget we were very careful to devise our transfer payments in a way that would protect the poorer regions of Canada. But yet again, we must all tackle the deficit and debt together.

The government has maintained its increased programs at 3.5 per cent over the last five years, while the provinces have been moving up to 7 per cent, 8 per cent, 9 per cent, and in certain instances to 14 per cent. This cannot go on forever. This is money we are taking from Canadians. We have made transfer payments in a way that eastern provinces in particular and lower income people will be better served by our transfer programs.

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GOODS AND SERVICES TAX

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, my question is to the Minister of State for Finance. At the same time, I would like to offer him my unswerving support for what must be done, namely, the implementation of the goods and services tax.

I realize that in the past the Department of Finance has done a remarkable job in its economic projections, and there is no good reason to believe that this will change.

However, I would like to know the government reaction in the event that the goods and services tax should take in more revenue than is anticipated. I know that the people of Regina would reject these funds being used to increase government spending, therefore I would like to ask the minister to tell us and the people of Regina—Wascana that if extra revenue should occur, will it be put to further reducing our deficit or will it be used for increased program expenditures?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to tell the hon. member that the government has always said that the GST is an integral part of deficit reduction.

As far as managing the pressures within the system is concerned, we have reserves that are there for that purpose. To the extent that we receive greater income or greater revenues than expected from the GST or from any other source, of course they will be applied to deficit reduction.

* * *

REGIONAL DEVELOPMENT

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is directed to the Prime Minister and it concerns the disturbing news that the federal government is again transferring its deficit on to the backs of the poorest of the provinces.

In the P.E.I. legislature yesterday—and my hon. colleague just alluded to it—the provincial Minister of Finance, Gilbert Clements, indicated that, because of an unannounced change in the equalization formula, Ottawa will save over $1 billion in 1989 which he says will mean big revenue losses for all of Atlantic Canada.

Will the Prime Minister confirm that there has been a change in the equalization formula, and will he kindly tell us why these changes were kept hidden from the provincial finance ministers until last Friday?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have not had the pleasure of reading the statement by the Treasurer of Prince Edward Island, to which my hon. friend referred, but I can tell him that the budget of the province of Prince Edward Island appears to be in virtual balance. It is a balanced budget in large measure due to the massive transfers of federal funds from Ottawa to Prince Edward Island.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I would like to tell the Prime Minister that that budget surplus has now been turned into a budget deficit in Prince Edward Island because of the $1 billion in cuts that it found out about last Friday. I will send the Right Hon. Prime Minister a copy of the statement so that he can read it.

My supplementary question is for the Prime Minister. At the very time that the Atlantic economy has been battered by a collapsing fishery, by hundreds of millions of dollars in cuts to federal EPFs, and withdrawal by the federal government of regional development programs, we now find out there could be up to $1 billion cut in equalization payments to the poorest of provinces.

What actions does the Prime Minister plan to take to address this very serious loss of revenue to all of Atlantic Canada, and why does he continue to adopt and practice the cruel "kick them when they're down game" on the Atlantic provinces of this country?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend knows full well that he is doing and has been doing a very serious disservice to the facts.

His partisanship obscures any value that he may bring to the House of Commons. Get the chip off your shoulder, and people will start listening to you.

Some hon. members: Oh, oh!

Some hon. members: Hear, hear!

Mr. Mulroney: This government, Mr. Speaker, is in the process of bringing forward a program for the Atlantic fishery, which has increased transfer payments to Atlantic Canada, increased EPF payments to Atlantic Canada and increased regional development programs from $182 million, where they were when the hon. member's party was in office, to $400 million a year. Premier Frank McKenna described this government in terms of ACOA as having brought forward the single most important vehicle for regional development in the history of Atlantic Canada.

My hon. friend should be congratulating this government for what it has done for Atlantic Canada.

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GOODS AND SERVICES TAX

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of State (Finance).

A minute or two ago, I heard him say that the goods and services tax has always been intended to be an integral part of deficit reduction. Yet we heard the Minister of Finance say in this House that the goods and services tax would be revenue neutral, which to most people would mean that the tax would not bring in any more revenue than the existing manufacturers' sales tax.

How can the tax be at one and the same time revenue neutral and be an integral part of deficit reduction? No wonder Canadians don't believe anything the government says about the goods and services tax.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I am afraid that the hon. Leader of the Opposition suffers from an acute case of selective listening.

He should have listened to my colleague, the Minister of Finance, when he indicated that GST would reduce the deficit, because the present pillar of the federal sales tax is a porous one. That means that as it grows, companies evade tax. There is a lot of tax evasion and it threatens our resources. In putting together a modern, efficient system of sales tax the GST will prevent this and ensure that the government can deliver its programs and pay for them.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of State (Finance) says that the present manufacturers' sales tax is a porous pillar.

Canadians would like to know, if that is the case, why has the government raised this tax not one, not two, not three, but four times since it came into office, and the revenue, since it came into office, has grown by billions of dollars to the present level of over $18 billion? If that tax is so flawed, why has it done this?

I ask the minister, how can Canadians believe anything that the government says, when he says the new tax will be an integral part of deficit reduction and the Minister of Finance says the same tax will be revenue neutral? It is simply not believable.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, you have to run with your old car until you buy a new one so we have made use of a system which was not a good system. We have devised a way of changing it. We have a system where there are 22,000 different private arrangements with companies, so this is a terrible system. It is an old system which has been there for 64 years.

We announced our colour before the election. We introduced a White Paper, we introduced a technical paper and we introduced a bill. Meanwhile, we have had to make do with a bad tax.

• (1150)

FUNDING FOR THE ARTS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is for the Prime Minister. Last December, the Minister of National Revenue threatened the Canada Council over its funding of the Buddies in Bad Times Theatre Company in Toronto. This week, the chair of the Standing Committee on Communications and Culture threatened the National Gallery with a funding cut because the gallery bought a painting "Voice of Fire" which was a controversial buy.

Does the Prime Minister's government still believe in the arm's length principle of our cultural agencies, a principle that means that while the government funds the agencies, the government does not get involved in the operation of the agencies? Does the government still believe in that principle, and if it does, will it start acting like it?

Right Hon. Brian Mulroney (Prime Minister): Yes, Mr. Speaker, we believe very strongly in the concept of the arm's length arrangement with these funding agencies, although I suppose, like all Canadians, voters in Charlevoix, for example, are sometimes astonished when they see a grant for say $12,000 go out for something the rough equivalent of studying the sex life of the eastern fly. They find it difficult to understand the value of that for Canada.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, the Prime Minister is again talking out of both sides of his mouth. Either he believes in the principle or he doesn't.

It is easy to take a cheap shot at the National Gallery, as the chair of the cultural committee has, but he did not have the guts to show up when John Kim Bell came before our committee on native matters.

Given what the chair of that committee has done in the past with respect to the advertisements on the CBC, the trips to Africa for hunting, the comments on the gallery now, will the government act like it believes in the arm's length principle and replace the chair of that committee?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am astonished at my friend's question because this government has increased the discretionary spend-

ing limits for the groups that dispense funds at an arm's length relationship with the government.

There is no case on record that I am aware of—and I would be happy if my hon. friend could bring one forward—of the intervention of myself or any member of the government attempting to insinuate himself or herself into the decision-making process of one of these granting agencies. Our attitude is best described by the fact that we have increased the funding to these agencies. We fully respect and acknowledge the importance of the arm's length relationship.

We also hope that those who make the decisions in granting these funds realize that they are not functioning in a vacuum. They are functioning in Canada in given circumstances. We hope that they will apply their best judgment, with an understanding that they are dealing with hard earned taxpayers' money.

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PUBLIC WORKS

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, my question is for the Minister of Public Works. It seems to me that the government is spending a great deal of time these days in court defending the tendering process for the GST data centre.

Can the minister tell the House whether the government went into this process with the decision having already been made?

Hon. Elmer M. MacKay (Minister of Public Works): No, Mr. Speaker. We did this transaction in the usual way. A decision to lease was made by the accommodations branch and then it went to the realty branch. It was a process that was done to the best of our ability in an open and honest way.

When it was questioned we paid attention to Mr. Justice Strayer's decision. We carried out a re-evaluation and we decided it would be in everyone's best interest if we, despite the pressures of time, opened the tendering process again. This has now been done. The bids are being evaluated. The deputy minister will bring a recommendation forward and we hope that this will be done next week.

[*Translation*]

M. Mac Harb (Ottawa Centre): Mr. Speaker, does the minister agree that by changing the rules in the course of the process, his government has created a certain amount of chaos for people tendering bids for the data centre? Will the government investigate charges that the selection process is unfair and subjective?

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I would reject immediately any suggestion that the selection process was falsified. As far as changing the specifications is concerned, we did not change the specifications, we only attempted to reflect as much as possible the special requirements that our client department, namely Revenue Canada, required such as security, access, working conditions and important things like this.

* * *

[*Translation*]

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I have a question for the Minister for External Relations. At a time when the government has cut $666 million from the budget for the Canadian International Development Agency, spread over a period of three years, how can it justify spending $600,000 on the office of our ambassador-at-large and personal representative of the Prime Minister, the Hon. George Hees, who is acting as an advisor on food distribution in Third World countries?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I was away from the House and I read with dismay and astonishment that a question had been raised that would in any way tarnish the reputation of one of Canada's outstanding war heroes and parliamentarians, the Hon. George Hees.

This Parliament and this country should consider itself fortunate to have someone like George Hees undertake sensitive, important responsibilities checking on the distribution of food world-wide. I can tell you that at 75 years of age and after a lifetime of service to Canada, both in times of war and in peace, I was honoured to be

able to appoint George Hees to that position. He has come through and filled that job in an excellent fashion which brings great honour to every member of the House of Commons.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I wish the Prime Minister had listened to my question because I was extremely careful. I respect Mr. Hees, and every member of this Parliament, I am sure, respects the outstanding record that he has contributed to this country.

But the fact remains, does the Minister for External Relations not feel that given this government's commitment to thrift, which it talks about so consistently across this country, that this office, costing $600,000, represents at least a duplication and at worst, a triplication, of the supervisory role in food distribution in the Third World and that this money might be better spent on the food itself and the aid to these foreign countries.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the insinuation in that question, and I know my hon. friend does not intend it that way, is very unfortunate and very misleading. There have been no additional costs to the Government of Canada, apart from the ongoing salary for the hon. George Hees.

Mr. Milliken: And his staff, and his flights.

Mr. Mulroney: My hon. friend has staff himself to help him do his job. Would he suggest that Mr. Hees, doing a sensitive international job for the Government of Canada, not receive some modest assistance himself?

Surely it is appropriate that if you ask someone, a minister of the Crown, a member of Parliament for 35 years and one of Canada's most distinguished public servants, to undertake a sensitive job to make sure that food is distributed properly to Third World countries in the most efficient and expeditious manner possible you would want him to have the services of a modest degree of support staff.

I can tell my hon. friend that I was delighted to appoint Mr. Hees. I was also delighted to appoint the hon. Ed Broadbent to a job. I can tell you that the support staff that Mr. Broadbent enjoys, as well as the general salary and benefits package is a very nice one and compares favourably with that of other senior public servants. Why would it be otherwise? Mr. Broadbent is serving his country well. Mr. Hees is serving his country well. Why would you pick on someone like George Hees? Why not just acknowledge the fact that he has been a tremendous public servant and let us stand up and celebrate what he has done for his country.

Some hon. members: Hear, hear!

• (1200)

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I want to ask the Prime Minister if he feels it is appropriate at a time when budgets have been reduced for overseas development assistance that he have a personal envoy who reports directly to him? Is it not public information, this very crucial issue of food distribution?

Further to the question from my colleague from Kingston and the Islands, does the Prime Minister feel it is appropriate that this should be a triplication of work with CIDA, with non-governmental organizations and with Canadian missions overseas? Does he feel it is appropriate that $612,000 per year is allocated for his personal information?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am absolutely astonished at the fact that the NDP would allow a member of Parliament to raise this kind of question.

Budgets were being reduced but we still proceeded with the creation of the International Centre for Human Rights and Democratic Development, of which Ed Broadbent is the president, and I can tell you that the cost of running that institute is substantially higher than $600,000 a year. The fact that we are cutting budgets does not mean that we should not be concerned about Third World development or about human rights.

In the cases of both Mr. Broadbent and Mr. Hees, they are doing a tremendous service for Canada. The hon. member in raising these questions is trying—inadvertently I hope—to undermine the reputation of Mr. Hees and should apologize to Mr. Hees in the House of Commons.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I want to make it clear that in no way do I impugn the reputation of Mr. Hees.

In light of this, will the Prime Minister now reassign Mr. Hees to a more appropriate act in his absolutely demonstrated commitment to the Veterans Independence Program? That is where the money should be

going. If the Prime Minister is going to have a personal envoy have Mr. Hees work in the area in which he has expertise and demonstrated commitment.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, this question is apparently generated by cuts in budgets, if the hon. member wants the amount of $600,000. cut out, I can tell her that the cost of operating Mr. Broadbent's new institute is in the neighbourhood of $3 million. Would she want that cut? I do not think it should be cut, because even though we are going through difficult times, human rights is vital. Mr. Broadbent is a very good person to defend the cause of human rights just as George Hees is an outstanding person to undertake the responsibilities he is undertaking.

The NDP should be ashamed of themselves. This is a cheap shot.

* * *

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, earlier during Question Period I may have violated a rule of the House when I referred to the absence of a member, which I ought not to have done. I think it is a generally accepted rule of the House that we not refer to each other's absences. The hon. member for Gloucester may have been present in the House more often than I have because my travels have kept me outside the House. I withdraw any reference to his absence.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

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

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

[*Translation*]

TRANSPORT

GOVERNMENT RESPONSE TO SECOND REPORT OF STANDING COMMITTEE

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, pursuant to Standing Order 109, I wish to table, in both official languages, the government's response to the second report of the Standing Committee on Transport, entitled: Via Rail and the future of railway passenger service.

* * *

COMMITTEES OF THE HOUSE

BILL C-43—TABLING OF REPORT

Hon. Andrée Champagne (Saint-Hyacinthe—Bagot): Mr. Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-43, an Act respecting abortion, without amendments.

Mr. Speaker, with your permission, I would like to make a few comments. Clearly, a bill like Bill C-43 concerns a subject that is prone to controversy and has a high emotional content. I therefore wish to thank all members who sat on the legislative committee and who are to be commended for their serious and thorough approach. They have shown a degree of tolerance and respect that I find admirable and which is very much to the credit of this House.

We heard three ministers and 53 groups and individual witnesses, who provided a broad range of extremely varied views. Altogether, including briefs, telexes and telephone calls, we received nearly 2,000 communications.

Speaking on my own behalf and on behalf of all members of the committee, I also wish to express my thanks to all support staff in areas including research, legal affairs, translation and interpretation, and especially to our clerk. Their dedication greatly simplified my task and that of my predecessor as the chair of this committee.

[*English*]

BILL C-60—REPORT OF LEGISLATIVE COMMITTEE

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, I have the honour to present the report of the legislative committee on Bill C-60, an act to amend various acts to give effect to the reconstitution of the courts in Ontario and to provide for other related matters, with one amendment.

BILL C-59—REPORT OF LEGISLATIVE COMMITTEE

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, I have the honour to present the report of the legislative committee on Bill C-59, an act to amend various acts to give effect to the reconstitution of the courts in British Columbia, without amendment.

STRIKING—THIRTY-SIXTH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to present the thirty-sixth report of the Striking Committee.

* * *

[*Translation*]

SPECIAL COMMITTEES

SPECIAL COMMITTEE TO STUDY A PROPOSED COMPANION RESOLUTION TO THE MEECH LAKE ACCORD—MOTION TO ADVERTISE ON PARLIAMENTARY CHANNEL

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Madam Speaker, I believe you will find there is unanimous consent for the following motion:

> That the Special Committee of the House of Commons to Study a Proposed Companion Resolution to the Meech Lake Accord be authorized to use parliamentary channels in order to solicit briefs and requests to appear before the committee and to announce its future agenda.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Does the minister have leave to present the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to.

[*English*]

PETITIONS

EXTERNAL AFFAIRS

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I have two petitions to present today pursuant to Standing Order 31.

I am pleased to present the first one signed by 55 Nepean petitioners who are asking the Government of Canada to intervene in the release of one of Canada's citizens, Mr. Yih-Sheh Leo, who is being held in prison in Taiwan as a result of political interference for exercising his freedom of speech.

GOODS AND SERVICES TAX

Mrs. Beryl Gaffney (Nepean): Madam Speaker, the second petition relates to the goods and services tax. This petition is signed by several Nepean petitioners. It is something that is ongoing in Nepean and the people of my riding are very concerned about the imposition of this unfair tax.

FUNDING FOR WOMEN'S CENTRES

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a petition with respect to government cuts to the budget for women's centres. It is signed by approximately 500 people from central Vancouver Island.

I would like to point out that one of the signatories of this petition is Caroline Gran, the minister responsible for the status of women in the province of British Columbia.

CANADA POST

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I have three petitions to present to the House today.

The first petition was collected in the city of Halifax. It is a petition directed at Parliament and concerns the intention of Canada Post to close the Halifax shopping centre corporate outlet at the end of March. The petitioners suggest that this is a major disruption and inconvenience to the large number of senior citizens, families, and other individuals in the neighbourhood who depend on the products and services, and inconveniences others who use one of the largest shopping centres in Nova Scotia.

• (1210)

The petitioners call on Parliament to ensure that Canada Post reverses its short-sighted plans and keeps a full service Canada Post operation at the Halifax shopping Centre.

This petition is signed by 750 people and is the first of two petitions I have submitted for certification by the House.

The second petition is signed by 165 residents of the Saskatchewan communities of Watson, Englefield, Quill Lake, but primarily from Watson, Saskatchewan.

They call on Parliament to save the national postal system and to ask Canada Post to stop its ill-conceived plans to sell off the postal service to big business. They say that rural post offices not only provide the service they need, but offer an important federal presence in their community.

The petitioners call on Parliament to refrain from putting retail postal outlets where there are existing post offices in their communities. The petitioners did not ask for retail postal outlets, they do not need them, and they do not want them.

GOODS AND SERVICES TAX

Mr. Len Taylor (The Battlefords—Meadow Lake): The third and final petition is signed by a number of residents from the province of British Columbia. It concerns the goods and services tax.

The petitioners note that the proposed goods and services tax is an unfair form of taxation because of its lack of regard for taxpayers' ability to pay. They call upon Parliament to reject the current bill on the goods and services tax and replace it with a reformed tax system that would provide for fairer taxes on Canadians.

EXTERNAL AFFAIRS

Ms. Barbara Greene (Don Valley North): Madam Speaker, I have two petitions to present today on behalf of the residents of Metropolitan Toronto and region in support of Mr. Yih-Sheh Leo.

They urge the Canadian government to take immediate and effective measures to secure his release from the Taiwan government where he is being held prisoner.

[*Translation*]

GOODS AND SERVICES TAX

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I have the honour to present a petition on behalf of people in my riding who ask the government to reject the GST bill.

[*English*]

I have two more petitions on the same subject from Canadians from Baie Comeau to just about every small city between there and St. Laurent.

The imposition of the new goods and services tax will cause serious and unfair hardship to low and middle income Canadians and they ask this government to reject the project.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Madam Speaker, I welcome this opportunity to table in the House a number of petitions signed by Quebecers from Plessisville, Laurierville, Princeville, Victoriaville, Arthabaska and Sainte-Rosalie, who are vehemently opposed to the position taken by this government in wishing to impose a new tax on goods and services.

[*English*]

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I have a petition certified according to Standing Order 36 from a number of people opposed to the goods and services tax because it is unfair and bears more heavily on low income Canadians than high income Canadians.

They therefore urge Parliament to reject the goods and services tax and to cause the government to shift the tax burden from ordinary Canadians to those who are able to pay.

I have a further petition signed by 200 Canadians from various provinces, much more specifically concerned with the fact that since Confederation there has been a zero rate of tax on magazines, books and newspapers, and the government now proposes to include them in the goods and services tax, although uninhibited dissemination of the printed word as a cornerstone of democracy, culture, education, and a literate and productive society will be negatively affected by that application.

Therefore they call upon Parliament to reaffirm the historic principles embodied in the tax-free status for the printed word by retaining the zero rate in the GST legislation and regulations.

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): I have two more petitions, Madam Speaker. One is from a number of residents of Toronto who urge this Parliament to join with the Assembly of First Nations and the Innu of Labrador and other aboriginal peoples of northern Canada in opposing the use of their lands for NATO-NORAD attack training.

They demand that Canada withdraw its application for a NATO-NORAD base there and redirect Canada's NATO-NORAD funding toward enabling Canada's aboriginal peoples to regain control of their lands and their livelihood and promoting sustainable development for all Canadians.

VIA RAIL

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, I have a petition signed by about 150 people from different towns in Ontario who are concerned with the government's policy on transportation, its deregulation of air passenger service and its restriction of VIA Rail service.

Therefore they humbly pray and call upon Parliament to maintain, improve and modernize VIA Rail service in those areas of the country where it can provide a more rapid, economical, safe, convenient, environmentally sound and energy efficient alternative to other means of transportation.

CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I have a number of petitions to table.

First, I have a petition signed by approximately 500 residents of the community of Lafleche in Saskatchewan who are protesting the decision by Canada Post to shut down their rural post office. I want to say that I totally agree with this petition.

I also have a petition here signed by the residents of the fine community of Dalkeith, Ontario in the constituency of Glengarry—Prescott—Russell.

These 289 citizens of Canada are very upset with the decision of Canada Post to shut down the rural post office in the community of Dalkeith, a post office which has been in existence for over 100 years. I fully and totally support this petition signed by my constituents.

GOODS AND SERVICES TAX

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I want to table a petition pursuant to Standing Order 36, signed by a number of citizens from the great community of Windsor, so ably represented in this House by our hon. Leader, the member for Windsor West.

These people are terribly upset, and rightfully so, with the government's proposed goods and services tax. Hopefully at this eleventh hour the government will listen to the concerns of these fine citizens of Windsor and immediately drop its plan for a goods and services tax in Canada.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I have the pleasure to present, pursuant to Standing Order 36, a number of petitions signed by British Columbians, in which they request that this Parliament reject the current proposal for a goods and services tax and bring in a fair and equitable tax system based on taxpayers' ability to pay.

[*Translation*]

Mr. Fernand Robichaud (Beauséjour): Madam Speaker, I also have the honour to table petitions from people in the riding of Windsor West. They, with the people of Beauséjour, wish to announce their strenous objections to the government's tax proposal, a proposal that is entirely unfair, and I am referring to the goods and services tax.

[*English*]

The petitioners oppose this goods and services tax because they say that it is an unprecedented tax grab from the pockets of Canadians which will hit them not only with higher taxes but with higher inflation, higher interest rates, and higher unemployment.

Therefore the petitioners humbly pray that Parliament will reject this proposed goods and services tax.

Mr. Sid Parker (Kootenay East): Madam Speaker, I too have a petition to present pursuant to Standing Order 36, which is certified correct.

It is with regard to the goods and services tax as the ongoing petitions that I have provided to the House in the past. It says that the Minister of Finance's proposed goods and services tax is an unfair form of taxation

because of its lack of regard for the ability of taxpayers to pay.

• (1220)

They object that the government has not addressed the unfair taxation system currently in place which permits wealthy individuals and corporations to pay little or no federal tax while it forces low and middle income taxpayers to bear more of the national tax burden.

They call upon the government to scrap the tax and bring in a more equitable taxation system.

EXTERNAL AFFAIRS

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I have the honour to present to the House today a petition from residents of the greater Toronto area.

They call upon the government to exercise all of the means at its disposal to secure the release of Mr. Columbus Leo, a Canadian citizen who is incarcerated in Taiwan for reasons arising from his conduct related to his attempt to exercise democratic freedoms there.

GOODS AND SERVICES TAX

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, pursuant to Standing Order 36, I have the honour to present a petition signed by 797 of my constituents throughout Stormont—Dundas against the proposed 7 per cent GST. These names can be added to the list of over 600,000 Canadians who have petitioned the government to abandon this regressive and totally unfair tax. They join with the more than 70,000 who telephoned the Official Opposition phone-in campaign against the GST in calling upon the government to scrap this tax.

I urge the government to respect the wishes of the people.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 234, 242, 243, 251, 252, 254 and 255.

[*Text*]

INTERPROVINCIAL TRADE BARRIERS IN AGRICULTURAL AND FOOD PRODUCTS

Question No. 234—**Mr. Althouse:**

Has Agriculture Canada, in co-operation with provincial ministers, prepared a list of the interprovincial trade barriers in agricultural and food products and, if so, (a) what number of items does it contain (b) for each of the ten provinces, in detail, what are the trade barriers identified?

Hon. Donald Frank Mazankowski (Deputy Prime Minister, President of the Queen's Privy Council for Canada and Minister of Agriculture): A study interprovincial barriers to trade in agricultural and food products was undertaken by the Federal/Provincial Agricultural Trade Policy Committee. The purpose of the study was to identify interprovincial barriers and associated programs which inhibit the free movement of these products within Canada, and then develop ways and means to reduce them.

(a) and (b) The study did not provide a complete analysis of trade barriers maintained by individual provinces. An indicative list of the identified barriers and programs is attached. Some of these barriers and programs operated in more than one province. As a result, the total number of individual barriers was greater than those included in the list.

Indicative List of Barriers to Interprovincial Trade in Agricultural and Food Products

Compiled by the Federal/Provincial Agricultural Trade Policy Committee

June 1988

Technical and Marketing Regulations

-restrictions on distribution and sales of semen
-out-of-province apple marketing wholesaler licence requirements
-honey sulfathiazole regulations
-margarine colouring restrictions
-bonding and licensing of livestock dealers
-prohibition on sales of UHT milk from other provinces
-breeding pigs certificate programs
-blueberry maggot inspection procedures
-varying provincial standards for livestock transport trucks
-varying provincial truck and operator licensing require ments
-import permits for transportation of fur farmed and game ranched animals
-provincial livestock brand inspection (determination of origin)
-varying tax classifications of market garden/

greenhouse operators
-varying crop insurance/emergency pricing programs
-varying bee and bee equipment movement regulations
-restrictions on imitation dairy products
-grocery retailer listing fees
-provincial marketing boards
-provincial quality and products standards
-regional and industrial assistance programs
-provincial controls on fluid milk
-provincial market promotion programs
-provincial controlled pricing schemes
-provincial government procurement practices
-Canadian Wheat Board practices
-Canadian meat inspection act
-two-price wheat policy
-health standards (e.g., quarantine by regions)
-product standards
-Canada shipping act

Income Stabilization

-provincial income stabilization programs

Production Subsidies

-hog and chicken industry subsidies
-greenhouse capital grants
-swine incentive policy
-production incentive for farm separated cream and
-industrial milk
-assistance policies for fruits and vegetables
-livestock incentive programs
-hog market development programs
-dairy, eggs and poultry support programs
-marketing assistance for horticultural products
-crop and livestock production assistance
-vegetable storage assistance
-greenhouse energy programs
-pork industry improvement plan
-red meat plan
-crop introduction and expansion program
-ethanol incentive program
-crop production loan program
-livestock cash advances
-livestock tax credits
-primary agricultural producers rebates
-feed grain market adjustment program
-pork producers debt retirement grant
-farm income insurance
-beef cattle feed grain market adjustment program
-feed grain market development program
-potato subsidy

Input Subsidies

-limestone assistance
-fertilizer assistance
-land lease/purchase program
-farm fuel allowance
-farm fertilizer price protection plan
-lime freight assistance

Capital Grants

-capital grants programs

Transportation Subsidies

-live hog transportation assistance
-poultry marketing fund
-Crow benefit offset
-northern freight assistance
-western grain transportation act
-feed freight assistance
-Maritime freight rates act
-atlantic region freight assistance act

Processing Subsidies

-grants to regional slaughter facilities
-marketing assistance program for pork
-small food processors assistance program
-food industry development program

Market Development Assistance

-export sales aid

Development Assistance

-rural development authority
-agricultural development fund
-regional development assistance
-northern development programs

MEDICAL EVACUATIONS

Question No. 242—**Mr. McGuire:**

1. In 1989, did the Department of National Defence expend any flying hours conducting medical evacuations from Prince Edward Island and, if so, what total number of hours?

2. Has the government spent $3.9 million on Prince Edward Island medical evacuations and, if so, over what number of years?

Hon. William Hunter McKnight (Minister of National Defence):

1. Yes, 111.6 hours.

2. The 413 Squadron offers both search and rescue and medical evacuation services. Medical evacuation is a provincial responsibility and Prince Edward Island is the only province in which the provincial government does not offer its own medical evacuation services. The federal government, using the 413 Squadron, provides medical evacuation in Prince Edward Island and then bills the province. Between 1 April 1973 and 31 Decem-

ber 1989, the federal government spent $4.1 million for the provision of these services to Prince Edward Island.

ADMINISTRATIVE FLIGHT SERVICES

Question No. 243—**Mr. McGuire:**

1. In 1989, were Challenger and COSMO aircraft used to fly the Prime Minister, Cabinet Ministers or government officials to cities and towns served by scheduled airlines and, if so, was there an expenditure of (a) flying hours and, if so, what number (b) funds and, if so, what amount?

2. Since 1985, have backup Challenger aircraft been flown by 413 squadron to air fields in the vicinity of Prime Ministerial visits and, if so, was there an expenditure of (a) flying training hours and, if so, what number (b) funds and, if so, what amount?

Hon. William Hunter McKnight (Minister of National Defence):

1. Yes.

a. 1415 Challenger and 94 Cosmos flying hours were expended.

b. The DND estimated incremental cost (cost of petroleum, oil and lubricants, spares, repairs and overhaul, travel expenses of the crew and ground handling charges) of providing this service in 1989 was $3.8 million.

2. No.

TELEPHONES

Question No. 251—**Mr. Blenkarn:**

To the knowledge of the government, does the Senate provide two telephone numbers that any person in Canada can call without charge to be connected with the Senator of his or her choice and, if so, is it the intention of the government to provide such service with regard to the House of Commons and, if so, at what time and, if not, for what reason?

Mr. Albert Cooper Parliamentary Secretary to Leader of the Government in the House of Commons): All inquiries pertaining to the administration of the House of Commons may be directed to the board of Internal Economy.

TELEPHONE NUMBERS

Question No. 252—**Mr. Blenkarn:**

For each month from September, 1989 to February, 1990, what number of telephone calls were received on the Senate numbers 1-800-267-7363 and 1-800-267-7362?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): All inquiries pertaining to the administration of the Senate may be directed to the Committee on Internal Economy, Budgets and Administration.

"THE MORNING TOUR"

Question No. 254—**Mr. Blenkarn:**

Has the government incurred any expense in the production of a video in both official languages, entitled "The Morning Tour", from the Public Information Office of the House of Commons and, if so, in what amount?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): All inquiries pertaining to the administration of the House of Commons may be directed to the Board of Internal Economy.

PUBLIC INFORMATION OFFICE

Question No. 255—**Mr. Blenkarn**

Has the government incurred any expense in connection with the Public Information Office and, if so, in total, in what amount?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): All inquiries pertaining to the administration of the House of Commons may be directed to the Board of Internal Economy.

[*English*]

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STARRED QUESTIONS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, would you be so kind as to call Starred Questions Nos. 235 and 236.

Due to the length of the responses, I ask that they be printed in *Hansard* as if read.

[*Text*]

GOVERNMENT FUNDS ALLOCATED FOR RESEARCH AND DEVELOPMENT

*Question No. 235—**Mr. Saint-Julien:**

For each year since the Canadian Centre for Mineral and Energy Technology (CANMET) was created, for each province, has the government allocated funds for research and development in (a) mining (b) the utilization of metals (c) industrial minerals (d) fuels and, if so, what amounts?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): Due to archival constraints, the requested information, since the founding of the Canadian Centre for Mineral and Energy Technology (CANMET) in 1975, is not readily available. However, for the years 1985 to 1990, the following provincial distribution of costs can be provided for CANMET research and development projects which have been contracted out to industry and universities:

(a) Mining (excluding coal)

	1985–86	1986–87	1987–88	1988–89	1989–90
		($000)			(estimated)
Newfoundland	–	–	–	–	34.0
Nova Scotia	–	–	–	–	260.6
Prince Edward Island	–	–	–	–	–
New Brunswick	81.9	110.6	142.6	141.3	113.9
Québec	172.2	156.8	179.8	38.2	197.0
Ontario	637.3	1,312.4	989.0	888.3	747.3
Manitoba	364.8	578.2	350.9	278.8	153.5
Saskatchewan	76.4	73.5	143.0	–	–
Alberta	–	13.5	–	–	–
British Columbia	–	–	10.0	–	82.7
Yukon Territory	–	–	–	–	–
Northwest Territories	–	–	–	–	–

Coal Mining and Preparation

	1985–86	1986–87	1987–88	1988–89	1989–90
		($000)			(estimated)
Newfoundland	–	–	–	–	–
Nova Scotia	125.6	329.3	133.2	147.6	177.6
Prince Edward Island	–	–	–	–	–
New Brunswick	21.1	39.4	21.7	17.5	–
Québec	6.3	–	69.7	20.0	38.0
Ontario	101.4	444.9	220.4	393.1	396.5
Manitoba	8.0	–	–	–	–
Saskatchewan	–	–	40.3	9.0	–
Alberta	424.2	291.9	457.6	333.2	217.8
British Columbia	389.0	215.0	343.9	73.9	60.3
Yukon Territories	–	–	–	–	–
Northwest Territories	–	–	–	–	–

(b) Metals and Materials

	1985–86	1986–87	1987–88	1988–89	1989–90
		($000)			(estimated)
Newfoundland	–	4.0	99.5	–	–
Nova Scotia	–	22.9	22.5	–	–
Prince Edward Island	–	–	–	–	–
New Brunswick	8.6	–	–	–	–
Québec	258.8	258.2	152.1	58.1	26.0
Ontario	1,185.9	1,453.2	1,184.7	655.0	824.9
Manitoba	9.0	41.7	–	–	–

Saskatchewan	–	–	–	–	–
Alberta	361.6	214.2	232.0	154.3	166.3
British Columbia	–	–	–	17.8	17.4
Yukon Territories	–	–	–	–	–
Northwest Territories	–	–	–	–	–

(c) Mineral Processing

	1985–86	**1986–87**	**1987–88**	**1988–89**	**1989–90**
		($000)			**(estimated)**
Newfoundland	141.4	230.7	118.7	85.7	–
Nova Scotia	236.0	497.0	561.0	349.9	226.7
Prince Edward Island	–	–	–	–	–
New Brunswick	173.8	260.2	227.9	186.3	215.1
Québec	793.8	845.0	826.4	582.8	262.5
Ontario	927.9	1,570.6	977.1	789.5	795.1
Manitoba	578.8	370.8	297.5	333.5	265.4
Saskatchewan	118.5	161.5	159.8	96.4	38.7
Alberta	105.2	24.2	50.3	148.5	174.9
British Columbia	172.9	128.4	83.3	94.1	147.6
Yukon Territories	–	–	–	–	–
Northwest Territories	–	–	–	–	–

(d) Fuels Technology

	1985–86	**1986–87**	**1987–88**	**1988–89**	**1989–90**
		($000)			(estimated)
Newfoundland	150.0	150.0	–	12.1	13.9
Nova Scotia	202.4	326.4	478.8	441.1	127.7
Prince Edward Island	–	60.3	36.2	19.2	14.7
New Brunswick	555.2	220.1	150.0	466.1	662.0
Québec	1,004.8	526.3	778.0	556.4	852.4
Ontario	2,860.8	2,905.9	2,600.9	2,299.0	2,308.6
Manitoba	101.1	16.5	–	–	–
Saskatchewan	125.8	271.8	403.2	353.4	270.8
Alberta	430.5	803.6	2,413.9	2,215.4	3,647.3
British Columbia	537.8	569.9	198.7	391.8	208.6
Yukon Territories	–	–	–	–	–
Northwest Territories	–	–	–	–	–

Supply

GOVERNMENT FUNDS ALLOCATED FOR LABORATORIES

*Question No. 236—**Mr. Saint-Julien:**

For each year since the Canadian Centre for Mineral and Energy Technology (CANMET) was created, for each province, has the government allocated funds for laboratories in (a) Ottawa (b) Edmonton (c) Calgary (d) Elliot Lake (e) Cape Breton (f) Quebec City (g) Montreal (h) Val d'Or and, if so, what amounts?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): Due to archival constraints, the requested information, since the founding of the Canadian Centre for Mineral and Energy Technology (CANMET) in 1975, is not readily available. However, for the fiscal years 1986–87 to 1988–89, the following distribution of CANMET's operating costs can be provided:

Average Operating Costs, 1986–87–1988–89

		$/Year	%Distribution
(a)	National Capital Region	51,244,000	88.4
(b) & (c)	Alberta	4,233,000	7.3
(d)	Elliot Lake	1,421,000	2.4
(e)	Nova Scotia	1,076,000	1.9
(f)	Quebec *	–	–
(g) & (h)	CANMET does not have any laboratories in Montreal or in Val d'or.		

NOTE : The indicated operating costs, which have comprised about 82 per cent of CAMNET's total costs in the past, will decline to about 76 per cent of the total during the next few years as a growing share of CAMNET's R&D program is contracted out to industry and universities. This will result from a change in the nature of CAMNET's R&D program as well as from a desire to diversify CAMNET's R&D effort. Moreover, the regional distribution will change to reflect the presence of the new energy laboratory at Varennes, Québec.

[*English*]

The Acting Speaker (Mrs. Champagne): The questions as enumerated by the hon. parliamentary secretary have been answered.

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

The Acting Speaker (Mrs. Champagne): Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—FUNDING FOR WOMEN'S CENTRES

The House resumed consideration of the motion of Ms. Hunter:

That, in the opinion of this House, the government should reinstate core funding for women's centres, to enable those centres to continue to provide essential information, referral and support services to women.

Ms. Mary Clancy (Halifax): Madam Speaker, I rise today in sorrow that I have to support this motion, although pleased that the motion was brought forward by my colleague from Saanich—Gulf Islands, but in sorrow that the need for a motion like this arises in Canada.

I might also say that I am devastated to see that the Secretary of State is no longer with us.

The Acting Speaker (Mrs. Champagne): Order. The hon. member does know that referring to the presence or absence of a member or a minister is just not done in this House. I know she will be careful.

Ms. Clancy: Madam Speaker, I am devastated that we have to speak on this issue yet again in the House.

We are looking at the Secretary of State cut of $23 million in total. We are looking specifically at the cut to women's programs of $1.6 million. We are also looking at the difference between core funding and project funding.

The hon. minister told us this morning that some women did not understand the difference, and I assure you that women understand all too well the difference between core funding and project funding.

First, the number of programs affected by cuts in core funding is 76, and I will discuss those programs further along in my remarks.

Second, core funding is a long-term kind of funding. It allows for long-term planning and for autonomy, an arm's length relationship to government policy. Project funding, on the other hand, is short term and limited to a particular purpose. If the government is changing the rules *vis-à-vis* the titles of these funding programs, all that is happening is something similar to a geometry

program in high school: it is changing the letters on the theorems.

What is really happening for women across Canada is that they are being forced into competition with each other because the dollars are less. We have a $23 million cut right across the board in the Secretary of State and a $1.6 million in core funding, but the real answer is that there is less money available.

To be told as we have been told over and over again, today, yesterday, and so on, that women's centres will receive their project funding if they apply is insufficient and not at all reassuring. The women's centres that face these cuts nation-wide include 40 women's centres in Quebec, 7 in Newfoundland and in excess of 30 in the province of British Columbia. These women's centres provide a range of services that is unique and will not be offered elsewhere to Canadian women.

I recall when these women's centres first began to be set up in Canada. We have again been admonished by a number of people on the government side of the House to look elsewhere for funding. I doubt that there is a woman sitting in this House today who does not know the exigencies of fund raising for women's groups and organizations that support women's projects.

Whether we are talking about national groups like the YWCA, or whether we are talking about individual women's centres, the problem is the same: without core funding from the government it becomes a futile task of going back to the same people time and again for ever decreasing dollars.

If the government is committed to equality for women, if the government is committed to alleviating the very real sufferings that gender inequity creates in this country, then core funding is the only answer.

Look at the things that this government decided to fund when it cut a paltry $1.6 million and devastated women's centres across this country.

We have just sat through the presenting of petitions in this House. We heard of thousands more Canadians who are against the GST. Yet, this government in its effort to sell this possibly most unpopular program in the history of Canadian parliamentary democracy has allocated between $11 million and $14 million, to sell the GST: $1.6 million to devastate women's programs nation-wide and $14 million to convince Canadians to swallow a pill that they absolutely do not want.

In my riding of Halifax visiting cabinet ministers will now have an office. This office will be decorated at a cost of $1.6 million. The same amount of money, $1.6 million, so that visiting cabinet ministers can have a place to relax in the city of Halifax.

Ms. Campbell (Vancouver Centre): So they will have a place to work.

Ms. Clancy: Well work, relax. I assure the hon. Minister of Justice that she can use my office whenever she wants if she needs a place to work. I would be happy to let her have it.

I suggest to the minister that my colleague from Dartmouth and her colleague from Halifax West would be happy to let her use their offices on the rare occasions when cabinet ministers need to work in Halifax.

Madam Speaker, $1.6 million for an office in one of the provincial capitals. The women of Canada understand what core funding is; they understand what project funding is; but they do not understand why they lost $1.6 million and why the exact amount is given to decorate an office.

• (1230)

Ceremonial state activities were allocated a $3 million increase in this most recent budget. I agree that there is a need for Canadians to see and to celebrate their country. But when women and children are suffering across the country, that is a $3 million allocation *vis-à-vis* a $1.6 million cut.

Finally, this year the Canadian Security Intelligence Service was allocated a $32.6 million increase. I am not necessarily saying that CSIS does not do a valuable job. That remains to be seen. The jury is out. But could we not have given CSIS $31 million and left $1.6 million for women's centres across the country? I think, in view of what this cut will mean to women on a national level, from St. John's to Victoria, that might have been something that could have been included in the budget.

Core funding no longer exists, we are told. But project funding has been increased. Project funding does not give the women's centres the kind of continuity and security they need. In spite of the protestations from the other side, it does not necessarily pay the rent. It does

not necessarily pay the salaries for co-ordinators, and it does not necessarily pay the heat, lights and other things necessary to set up an office.

It is crucially important that it be brought to the attention of all members of this House, the kinds of things these women's centres do. We were told earlier that the federal government is not supposed to provide services for victims of sexual assault or battered wives, and so on. But one of the absolutely crucial services performed by women's centres is that they are a clearing house and a communications network for women who are otherwise alienated and isolated from the help they have to have.

Surely, no one needs to stand in the House yet again and remind any of us of the incidence of abuse of women and children. It is at a shocking and unacceptable level. Women's centres are in the front lines of fighting this abuse. They are not transition houses. They are not shelters. But frequently, for a woman in an extreme situation, the only place she knows to call is that place down on Main Street or that house where those women have those programs. She calls and is referred to the proper social service agency, if indeed there is one in the town in which she lives. If there is not a transition house or a particular agency, normally there are networks of women volunteers who will try to provide her with support and help to get her out of the untenable situation she is in.

Women across the country work an unbelievable number of hours as volunteers in women's centres. They work to help other women. They work, many of them, because there is no money available to pay them salaries, and so they do it out of a sense of survival for all women, out of a sense of duty, and out of a sense of what we must do to pull together.

The salaries that come from the core funding are hardly the kind of salaries to which anyone would aspire. The payment of part time and full time co-ordinators is still barely above a subsistence level in the country. Think about it again. We have talked about a maximum of 60 centres that are closing in the country, and the cut that is closing these centres is a mere $1.6 million. Start dividing up that quotient and see what it means on an individual level.

One centre in Nova Scotia was receiving $46,000 and another $49,000. Well, nobody is living high on the hog on the portion of those grants that pay for salaries. Nobody is able to deliver services of the kind that were being referred to this morning.

These centres are clearing houses. They are places of communication. They are referral services. They are places of safety where women can walk in the door and say: "Tell me what to do next. Tell me who to go to for help. Tell me who can help me in this situation in which I find myself, that I can no longer deal with. Tell me". That is what women are saying in transition houses in Newfoundland, Nova Scotia, Quebec, and British Columbia.

Even if the project funding keeps the doors open a little while longer, without core funding the long term hard work of these centres will go for naught. The switch from core funding to project funding is the end for many of them and the beginning of the end for the rest.

The cuts to the Secretary of State women's program did not just affect women's centres. Funding to research organizations was also cut by 20 per cent, organizations such as the Canadian Council on Learning Opportunities for Women, the Canadian Research Institute on the Advancement of Women, the British Columbia Women's Research Centre, and in Quebec, *Nouveau départ*.

These are organizations that have done incredible service for women in the area of knowledge and communications. They are the women who know what problems are facing other women in the country, what resources are available for them, what educational facilities are there, and what research has been done to assist them in a myriad of activities as they emerge slowly into a world that is all too slowly heading toward the eventual goal of gender equality. Again, these organizations are run on shoestring budgets. Many women involved with these organizations do so on a voluntary basis.

One of the issues which relates to core funding and relates to the whole spectrum of the way the government deals with women is, of what value is the contribution of women? What is the value of the work that women do in women's centres, with CCLOW, with CRIAW, NAC, and

the various other organizations across the country? What is the value of that work? It appears that the answer is, not very high.

We saw the increases to various government agencies. What did we see across the board for women? Cuts and decreases. We did not see anything that would tell women there is a light at the end of the tunnel, that we want to help them, or that we want to show them that what they do is valuable. We want to see gender equality as an end in the country at least within the lifetimes of some of us sitting here in the House.

I know that there are individual members on the other side of the House committed to this. I know this. I have worked on committees with those members. I know how they feel and I know what they think. I know it must be difficult, but there has to be a political will.

Women make up 52 per cent of the population. While it is true that not all women support the kinds of things we are talking about here today, it is also true that the vast majority of women in the country do support these things. The vast majority of women look to the government and say: "Why are you undervaluing and undercutting what it is we have worked so hard for over the past 10 to 15 years? Why are you stifling the voice of women by cutting grants to research? Why are you undoing the work that for the last 15 to 20 years of the most recent exhibition of a woman's movement has developed?"

• (1240)

Every woman in the Chamber has some experience of that work, some more than others. Every one of us has had some experience in that area. We are all, to a smaller or larger degree, committed to this work and to the development of gender equality. At least, I thought we were.

The women of Canada have received too many blows from the government, particularly over the past several years. We see that abortion is going to be recriminalized in the country. We hear that women's groups across the country are crying for better medical services, better access to medical services, better education and training, more child care and more of the services that are not frills or frosting but the absolute essentials for a decent life.

We know that the feminization of poverty is a fact of life in our country. We know that when girl babies are born, as they go along in life they can expect, if they are university educated, to make as much money as a male high school graduate; if they are professionally educated, to make as much money as a single university degree graduate who is male.

My hon. colleague across the way shakes her head, but she can look at the statistics. Statistics Canada will tell her the truth.

These women can expect, no matter how much money they make or where they live, to have difficulty in finding adequate child care for any children they will have. They can expect to have difficulties and systemic barriers facing them in whatever profession or walk of life they choose. The vast majority of them can expect to end up in pink-collar ghettos. An unfortunate percentage of them can expect to be battered by their partners in life.

It is not good enough, Madam Speaker. You know it is not, I know it is not, and members on both sides of the House know it is not. The women's centres from St. John's to Victoria have been there and will continue somehow to be there. But the women who staff them will be paid less. There will be days in the winter that the centres will have to shut down because they will not be able to afford heat. There will be other times when they will not be there to provide essential services because they have lost core funding.

The women of Canada are fighting a battle that for a while we thought we might win. Without the political will, and without the dollars that that political will can and must generate, the women of Canada will lose this battle. They will lose this battle and we will all be the poorer for it. But they will not lose this battle quietly and they will not lose it without inflicting some wounds of their own.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I am pleased to make an intervention at this time. Equality and social justice for women in Canada is a high priority for all of us in the House and all of us across Canada.

We can be very proud that just recently the first female Minister of Justice was appointed. We are delighted that we now have the first woman justice minister and we can be truly proud of the outstanding background which she brings to this portfolio.

Let us get to the core funding applications and project funding applications about which my colleague has spoken. The core funding applications have been annual applications, not long term applications. They must be applied for every year. Every project needs to have an application.

In the last few weeks the minister has reiterated the importance of flexibility in the program. These moneys are to be used for such things as rent, light and heat. The minister has asked the women's groups to forward applications. The staff has been available to assist in filling out the applications. We are prepared to expedite those applications in order that the funding is available. I think the hon. member, instead of inciting a situation, needs to see how we can work together to make this a very substantial program so we can attain what we are all looking for and that is equality and social justice for women.

Ms. Clancy: Madam Speaker, I thank the hon. member for her comments, but I am afraid I must correct a misconception on her part. It is difficult to understand the difference between core funding and project funding. It may have been a slip of the tongue, but what she said was that each project must be approved separately. That is quite true for project funding, but core funding is different.

Core funding is done usually every year, I agree. There are different lengths of time, but a year is the average. Core funding is considered to be renewable and it covers certain things that project funding does not. I further tell the hon. member, with the greatest of respect, that I asked the minister today in Question Period, whether or not he could assure the women of Canada that all those groups which lost their core funding would get comparable funding under project funding. I am afraid I received no such assurance and neither did the women of Canada.

Core funding pays for things like rent, heat, lights, and co-ordinator's salaries. Project funding relates to a specific project and, thus far, it is not within the project funding terms of reference—so far as we know and so far as we have been told by consultations today with the minister's department— whether or not a project can be keeping open the centre. It does not appear that can be the case, that you must have a specific project.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I would like to make a comment and ask a question. I would like to comment on a comment, if I may.

The Conservative member across the way has just said that the government wants to see equality and social justice for women. Well, why not just restore the funding? Why not just admit it was a mistake, or it has gone wrong, or it is not working, and just restore the funding? That would be the simple way of doing it. Governments have done that in the past.

We had a provincial government in B.C. that I never voted for and never liked, but sometimes the old Premier, W.A.C. Bennett, would say: "Well, we're taking another look at it" and something would change when there was a public outcry. Why the gobbledegook about core funding and project funding? That is just putting poor women who are overworked and underpaid through more bureaucratic hassle. Just restore the funding.

I have a question for the hon. member from the Liberal Party who just spoke. Is there another agenda here from the government? She mentioned more money for propaganda and advertising the GST. There is more money for the secret police. Are we, in fact, seeing the government trying to punish what they think are political opponents in the women's movement or, for example, native people? The government cut back native communications programming and so on. It is a paranoid government that considers that somehow these groups are not on its team. They are not the big business boys so it is punishing them. They are the groups in society which can least afford to be punished.

I wonder if the hon. member is hinting that there is another agenda there on the government's part and that it is not just an oversight. Is it a real agenda to kill these kinds of groups and to put them down, perceived in the paranoid way of the government that somehow these groups are in opposition to what it stands for?

Ms. Clancy: Madam Speaker, I thank my colleague from British Columbia for his comments and his question. Indeed, if I was hinting, I apologize. I agree, absolutely, that there is another agenda here. I am not absolutely certain that it is a political reaction in the manner suggested by him in that political opponents within the women's movement or native Canadians who have become politically active are being punished. I do not think that the level of reaction here is quite that

sophisticated, at least not so far as women are concerned. It is my belief that in general the political will is that a woman's place is not in the corridors of power or in the seats of the mighty, or in—

• (1250)

Mrs. Browes: What about the Minister of Justice?

Ms. Clancy: One swallow does not make a summer.

Mrs. Browes: What about the Minister of Employment and Immigration?

Ms. Clancy: Two swallows do not make a summer. You can list them all. Six swallows do not make a summer either. Neither do two or three justices on the Supreme Court or the various supreme courts nation-wide.

There is a general response. The abortion legislation gives us an example of that, as do the cuts to women's programs. Women have become too uppity. They have made too much noise and it is absolutely time that some of this was squelched at the source.

Mrs. Gaffney: They have to be slapped down.

Ms. Clancy: Yes. They have to be slapped down in a political manner, I do agree.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, I would just like to pick up on my question before the member from the NDP spoke. It was in relation to the question posed by the hon. member for Halifax to the minister.

What we are encouraging the women and groups of women to do is to make application. We want to keep the women's centres open and to have those applications in order to be flexible so that we can keep the centres open and make it possible for those programs that have been set forth by the women's centres.

In the blanket question that the hon. member is asking, we want to look at each application. Our staff is ready to co-operate at any time in order to provide the service.

I just want to say to the hon. member that the social justice program for women is really quite a remarkable one. If you think of the women in positions of power, 30 per cent of the positions on all boards and commissions are now held by women, which is a remarkable increase from when her party was in power over some years.

We have the employment equity bill, the federal contracts program, the Canadian Jobs Strategy, and the changes to UI Act, Bill C-21, that we think is important to get through for training. There are the family violence centres and initiatives that have been put forth. There is $40 million in additional funds over the next four years to help the problem of family violence, $22 million for 500 new transition houses, and $18 million to help improve social and health services for Canadian women. Now that is a remarkable accomplishment.

When looking at the total picture, these are remarkable initiatives that the government has pursued and we will continue to work with the women of Canada in order to provide that social justice that we believe is so important.

Ms. Clancy: I have just a short response, Madam Speaker. I thank the hon. member for Scarborough Centre. I cannot imagine why the women of Canada do not feel better. They just feel so good, it is a wonder their heads do not fall off.

The number of programs can be cited and recited by the government members. There is this idea that the women just have to reapply. Why is the government changing the rules in midstream? Give them back the money, $1.6 million. The minister himself has said it is peanuts. So give them the peanuts and let the centres stay open. What is the matter? Are you afraid there is something going on in there that is going to do something dreadful to you? Come on. Be good. Be honest. Give those women back the money they need.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I must certainly affirm what was just said by the member representing the Liberal party.

Before I get into my own remarks, I would like to extend my greetings or regrets to the member for Burnaby—New Westminster who was the instigator of this resolution and this debate today. I can tell you that this member, who has worked so hard for women, is at this time meeting with women's groups in British Colum-

bia and will soon be meeting with women's groups right in the front lines in other provinces as well.

We are extremely concerned about what the government is doing to women, particularly to women's centres. This is just the tip of the iceberg. It is really the symbol of so many things that are wrong about the government.

I would like to say, before I get to women's centres, that in my view the most cruel and inhumane cuts in this very devastating budget were cuts to Secretary of State funding. These cuts affected a number of groups: aboriginal groups, ethnic minorities as well as women. They were cuts also to the kind of programs that are helping powerless groups to speak out and to work for equality, cuts to advocacy groups of all kinds, to national groups in the case of native people who are working towards self-government, to communications publications that help groups to network and bring their issues before people to gain broad support, cuts to research and to self-help groups. I would call women's centres a self-help program.

Why has the government chosen to cut funding for disadvantaged groups that are struggling to achieve equality? I would just like to requote the statement of my colleague a few minutes ago. He questioned whether or not this was not the "actions of a paranoid government that is punishing political opponents"? I think this was a very astute comment by my colleague. Why are government members, and particularly the Minister responsible for the Status of Women and the Secretary of State himself, deliberately trying to silence the voice of native groups who are working towards self-government, ethnic minorities who are pressing to end racism and to achieve equal opportunities for various ethnic groups, women's organizations that are front-line advocates for equality which are part of the feminist movement across Canada and the feminist publications that are the link between women in this very large country of ours?

Obviously, the government does not want criticism. It does not want criticism of its policies. Of course, women in particular have had very much to say about this and about the fact that we are not moving nearly quickly enough towards equality in the country. My colleagues have noted a number of examples, as did the Liberal speaker a few minutes ago.

The government really does not want to have these groups that are speaking out for disadvantaged and so-called powerless people becoming powerful. That is, of course, what is needed. We need advocacy groups that will represent people across the country and get to the government, not only to criticize but to put forward positive ideas and positive programs and amendments to legislation and so on. I think this is an essential part of our democratic system. It is very important that the government continue to fund such groups. The government is deliberately cutting the voice of the most disadvantaged of Canadians.

We have heard over and over again today, and we just heard a few minutes ago from the member for Scarborough, about what a wonderful job the government has done in appointments. What good is lip service about equality, which it is also great at espousing, and token appointments to a few jobs, if, at the front lines in communities, women are getting poorer and they are increasingly being battered and abused? Their rights are not being respected. They are not able to get into equal employment with decent rates of pay, and they do not have child care. At the same time, the women's centres, which are there to help with critical problems, are being closed because of the need for a relatively small amount of money from the government which it has deliberately taken away from women.

This government also is the government that espouses multiculturalism. I say this as the multicultural critic. At the same time, it has cut federal funding for heritage languages, for advocacy groups that are speaking out at the federal level, and for citizenship and language training programs that are absolutely essential for newcomers to the country and others. These are all part of the same pattern.

Today, however, we want to concentrate particularly on the whole problem of the budget cuts of $1.6 million to women's centres.

• (1300)

Where is the minister who is responsible for the status of women? She has not been in the House today. She has not answered questions—

The Acting Speaker (Mrs. Champagne): Order. The hon. member is an experienced member and I wish she would not mention who is and who is not in the House. She knows that this should not be done. Will we have to

repeat this again and again today? I thank all the hon. members for their co-operation in this matter.

Ms. Mitchell: Thank you, Madam Speaker. I think my colleagues and certainly the women across the country who have been watching the House this week, and women who have been sitting in women's centres and been tossed out of women's centres, even being charged with offences, are well aware of what has not been said by the Minister responsible for the Status of Women this week. She has refused to answer questions. I have put several questions to her. She has refused to answer them and I think, indeed, that her colleagues have been protecting her. I think it is time—

Mrs. Browes: Madam Speaker, I rise on a point of order. I would like to correct the record. I am not sure whether the hon. member who is speaking now was in the House this week, but certainly the minister—

The Acting Speaker (Mrs. Champagne): I am sorry to interrupt the hon. member. This is not a point of order and the hon. member will have the opportunity on question and comments to rise and correct the record if she feels it ought to be.

Ms. Mitchell: I think the record will show that the member who just spoke has been on her feet much more this week than the Minister responsible for the Status of Women.

However, let us get back to the whole question of budget cuts to women's centres which are so devastating for women in this country. When we consider the number of centres that have been covered across the country by $1.6 million, it is really a very small amount. As I said earlier, this is one of the most insensitive and inhumane cuts. I do not blame women for feeling that this is the last straw, and that it is actually a direct attack on women and on the women's movement across this country.

A women's centre is a place for women to go when they need support, when things are falling apart at home, when they need to talk to someone who will listen and who will be sympathetic and give encouragement. It is a place to go when they have problems or ideas they want to share, when they have been battered or abused and they just do not know where to go for help. It is a place where they can help others, when they want to volunteer and help their sisters.

There is so much that women's centres provide, and for such a small, piddling, little amount of money. The value that our society and women themselves have received for the very wonderful service that women's centres across the country provide is incredible.

I want to repeat what everybody on this side of the House has been saying today, and the minister did not seem to hear this morning, that women's centres need core funding. Do we have to keep saying it over and over again? They need basic administrative core funding to pay the rent, to pay for the telephone, to keep the door of the centre open, and to provide, at a very minimum a co-ordinator, who usually works seven days a week and many hours of overtime. The centres are open in the evenings and quite often on the weekends. Emergency services are available. When there is one co-ordinator then you can have many, many volunteers who will help as well. We can multiply the staff that is there to serve people.

I want to pay particular tribute to the women who have worked, and are still struggling to keep women's centres alive across this country.

I met many of them about three years ago when I was on the Secretary of State committee that toured this country several times and spoke to groups in every province. We held hearings because at that time the REAL Women were challenging women's funding of the Secretary of State program. We heard over and over again in every region about how hard women are working, and their dedication to overcome the hassles of having to constantly fight for resources to survive.

The minister and other members opposite have been saying that they would be nice to these poor women by providing fast-tracked project money. As we have been saying over and over again, project money is not the answer. That is not what they want. Project money is of no use if you cannot keep the centre open in the first place and if there is nobody to work with a core of people to develop the programs.

We also know that projects are just adjunct to what centres offer. It is nice to have specialized programs but first the women's centre has to be open and there have to be people there to welcome women and be there to help when women come to their sisters in desperation. You cannot have other programs, as I say, unless first there is core funding to keep it operating.

I think the Secretary of State is really misrepresenting what women's centres want and need. I asked him a number of times today if he had or was going to meet with women in these centres? He said yes. I do not know who he has been meeting with. He would not name any of the groups and he would not say when he had met with them. He certainly would not go to St. John's, Newfoundland, when the women were sitting in at the Secretary of State centre there. In fact, he was the one, through his central office here, who approved police action to go in and not only remove women but to charge them for civil disobedience.

It is incredible. He is the minister who also has refused to go out to British Columbia to meet with women there. They have been protesting and I understand 15 of them were removed forcibly. This is not an isolated policy, it is a policy that has been approved by the minister and it is creating a police state for women in this country. It has got to stop.

When the minister talked about project funding he also neglected to say that this is short-term funding. It is not going to solve the problem. It takes endless hours of bureaucratic procedure to allocate the money.

Probably one of the poorest communities in Canada is in downtown Vancouver, in an area called the Downtown East Side. The women's centre there, the Downtown East Side Women's Centre, serves the poorest women, street women, women who have come out of mental institutions, women who have alcoholic and drug addiction problems, native women coming from reserves and many of the most troubled women that you can meet. The Secretary of State in the Vancouver region, over and over and over again, refused funding for that centre. I want to put that on the record.

When I hear about all the other centres across the country that have had funding over the years and should have funding, I want to make a particular complaint on behalf of that centre. Yet that is one of the centres that has been writing letters to the editor saying how important centres are in fighting for their sisters.

The minister does not seem to care about this. In fact, I do not think he really even knows about it. Certainly the Minister responsible for the Status of Women, who should be down there in the Downtown East Side talking to these women, could not care less it seems. She certainly has not given us any indication that she cares or even is beginning to listen to what women are saying.

As I said, we must have a commitment right now to reinstate the funding that the minister took away so brutally for core funding to keep women's centres operating. It amounts to $1.6 million to operate some 75 centres. I am not very good at arithmetic but that certainly does not amount to very much per centre, especially when centres do so very much with such a range of services and ways of helping, and with so many volunteer resources.

• (1310)

Other people have mentioned this as well. It is very hard for Canadians, both men and women, to understand how this government could not just maintain, but increase the funding for CSIS, the security force of Canada, by $33 million.

At the same time, the government cannot find $1.6 million to keep 75 women's centres operating across the country. I think we can see where the government's priorities lie. They prefer to throw women out of Secretary of State offices, to arrest them and to pay for rent-a-cops to protect the Secretary of State offices from these violent women who are attacking them. Actually, these women are conducting civil disobedience in some cases, but certainly to protest the cuts in funding and to demand their rights. I congratulate them for doing this.

This week I asked the minister how much the Secretary of State will be paying for the extra security of these rent-a-cop services that he feels are necessary to protect his staff and to protect his precious files. I know that no women in those offices are interested in getting into files, and they certainly are not interested in attacking staff. Maybe if they could get a hold of the minister, they might like to give him a wallop, but they certainly are not going to pick on people in Secretary of State offices. They were asking for the minister to meet with them, and, of course, this is what he has not done.

I must repeat again, where is the minister responsible for the Status of Women in all of this? She is supposed to be defending Canadian women. She is supposed to be

listening to their concerns. She is supposed to be going to the minister and to cabinet on their behalf.

That is the purpose of this office. That is why the Royal Commission on the Status of Women, 20 years ago, insisted that this be a new position. Yet it is really a negative position now. It is incredible that in the one or two times when she has responded in the House, she has just angrily defended the government and its cut-backs. These cut-backs are decimating women's centres.

I heard the minister last night on the news channel. He was again defending his action in cutting core funding for women, and accusing people who did not like this of trivializing and marginalizing women's centres. That is the jargon he has been using. Women are trivializing women's centres by demanding funding to keep them operating. One of the women from British Columbia, from the Vancouver Status of Women, on the same program pointed out that in B.C., 21 centres received $478 from Secretary of State. In addition to fund raising, they provided 61,000 volunteers which valued at over $450,000. It cannot be said that they are not doing their part.

I see that my time is almost up. I just want to again say to women across this land: Keep up the fight. This is a fight for equality. It is just the tip of the iceberg. We must have funds for women's centres reinstated immediately.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, there were so many inaccuracies in the speech by the hon. member that it is hard to know just where to begin.

First I want to say how proud we are of the work of the women in the cabinet of the Government of Canada, in particular the cabinet minister who is responsible for the Status of Women. Having had an opportunity to work with the minister on a number of projects and on a number of committees, I know of her commitment for the last 25 years on women's issues. It is a disservice for the member across the way to be making such statements.

First, let me point out that the regional offices across the country are set up in order to serve the public. We have citizenship documents there that need security. We also have the public property that has to be secured.

Most important, we want to be able to approve the applications that we have invited women's groups to put forth. If our staff in the regional offices are unable to serve the public because of interruption of their duties, I think the member across should be encouraging us to have staff approving and reviewing the applications and working with persons in a positive way in order that we can assist the women's centres in every way we can.

Our government has put forth a number of programs for what we might consider the double disadvantaged women. Having spent some time working in a women's centre in Scarborough, I know that there is a referral system. We refer people to other agencies and so on. They provide a great service. However I think it can be noted that the double disadvantaged women's programs are targeting money for disabled women, aboriginal women, visible minority women, and rural women. It is important that we do not overlook the tremendous commitment that we have as a government in terms of providing services in a whole range of areas through a comprehensive program. I think it is important that the member understand that.

Ms. Mitchell: Madam Speaker, I would like to say that I have known the Minister responsible for the Status of Women and often sit with her on the plane going back and forth to Vancouver. I like and admire her. That is why I am so deeply disappointed, not in her as a person, but in this government. I am sure the government is behind this. This responsibility has become worthless. In fact it is a negative position. I just wanted to make that clear.

The hon. member mentioned that the Secretary of State offices are there to serve the public. That is also the purpose of women's centres, to serve the public, yet the government is shutting down the women's centres.

The women who are going into Secretary of State offices are not going to be looking at citizenship files. I would like to have one bit of evidence that has happened. Really, the simplest way to solve this whole problem, to stop the protest, to stop the sit-ins in the offices, to stop the need for extra security and paying for extra security forces, and to ease the government's apprehension is to reinstate the funding. It is so simple.

It will not require staff time, and it will keep the services going that women are providing.

The hon. member mentioned services for double disadvantaged women. I could not agree more. In fact our task force that was looking at Secretary of State women's programs said that is where there should be special targeting.

I would like to point out the example, I gave a few minutes ago, of women in my riding, at a women's centre downtown. They are the most disabled women you could find: young native women who need and want to be off the streets, visible minority women and many immigrant women who do not speak English. That is a centre that has been refused funding. The government says one thing, but it does not carry this out in practice.

Women who are immigrants or have certain disadvantages are far more likely to go to an informal storefront operation, operated by other women who are friendly and caring, than they are to go a big bureaucracy or to go to Secretary of State office and talk to bureaucrats.

• (1320)

There are many reasons why women need these funds, and it is a small investment for the amount of economic and social value in return. I hope that the hon. member, who I know is a very sincere and hard working person, would do her best to convince the minister and the government that these funds must be reinstated.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Resuming debate. The Hon. Member for Charlesbourg.

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of Supply and Services): Madam Speaker, first of all, I would like to specify that, since I will share my time with one of my colleagues, I will only use the first 10 minutes.

I am a little confused by the motion before us today. I listened to the speeches made by the Hon. Members for Halifax and Vancouver East and I came to the conclusion that it is hard to change. It was 20 years ago that the Royal Commission on the Status of Women tabled its report.

If I personally asked my colleagues opposite whether Canada has moved toward women's social and economic equality in the last 20 years, I am sure they would both agree that the country and the government have made progress in that direction.

In the last six years, this government has also worked in co–operation with Canadian women to achieve women's equality in every sector, in particular by amending existing legislation, introducing new fiscal initiatives and appointing more women to influential positions. This is where it starts.

Let us take social reform for example. The reform of the Divorce Act and the adoption of certain legislative measures such as the Family Orders and Agreements Enforcement Assistance Act have resulted in greater compliance with these orders and agreements. Several provinces have set up a computerized central enforcement machinery which is automatically triggered by the legal system.

To fight against family violence, Madam Speaker, our government has earmarked over a four–year period some $40 million, including $22.2 million which were used to develop 500 new facilities where victims of violence could find temporary shelter, in addition to the 1,400 emergency housing facilities already provided for by the Canadian Mortgage and Housing Corporation. This assistance makes it possible for 25,000 other women and their children to find shelter and escape violence.

Of course, when we consider the progress made, we are all aware that there is still much to do, but I suggest this is a continuing process. What matters is that the situation is improving and that increased efforts will be made to improve it further.

To fight against family violence, the government has taken other initiatives, for instance in research. A very significant point, in view of some real cases, is the new awareness of the legal system. The awareness of the public, the allocation of special funds to native communities, and all the initiatives resulting from the federal legislation which came into force in January 1988 to fight against child and the sexual abuse.

Madam Speaker, the government has implemented other legislation to help and treat more fairly aging women. I refer for instance to the spouses' allowances, the survivors' benefits, as well as the amendments to the Pension Act and the Pension Benefits Standards Act.

The purpose of these legislative measures was first and foremost to help women more and more.

Madam Speaker, I suggest everybody will agree that women are playing a more active roll in the economic life of this country and that, as such, they contribute still more to its economic development.

Today women are 44 per cent of the labour force. Statistics show that they account for 73 per cent of Canada's economic growth since 1980. In the last five and a half years, Madam Speaker, our government has done much to remove the obstacles that prevented women from participating fully in our economic life. One of these achievements was the passage of the Employment Equity Act in 1986.

Our government has established an equal–pay program to help federally regulated employers comply with the requirement that everyone be paid the same for work of equal value.

Recently, on January 26, the President of the Treasury Board (Mr. de Cotret) announced salary adjustments for some Public Service employees. Under a joint management–labour agreement, about 70,000 public servants in female–dominated occupational groups will receive on average $4,000 each in retroactive payments, as well as annual adjustments of 4 to 7 per cent.

The policies which our government has adopted over its term of office, and I already mentioned several of them, have provided women with greater opportunities to participate more in the economic life of our country and to contribute more to its economic prosperity.

The barriers that prevent people from obtaining better jobs and participating more in society are hard to overcome for some groups, in particular native, immigrant and illiterate women. Our government is continuing to establish policies and programs to eliminate these barriers and to help women prepare for a better future.

For example, to help native women we set up a federal–provincial task force whose mandate is to study the economic development issue and suggest ways to offer them more interesting challenges in business, management and self–development.

After giving serious consideration to the needs and aspirations of women immigrants, we organized a linguistic training program to help them settle in their new country. The program, designed for immigrant women who are not in the labour force and who remain at home to look after their family, proved to be profitable and we decided to expand it. In 1988 our government invested $25 million to help women immigrants get used to life in Canada and improve their employment opportunities by offering basic language courses in their own country, expanding orientation and linguistic training programs in Canada, and offering these women a wider choice of training courses for specific jobs.

To my mind, Madam Speaker, the most constructive initiative taken by the government to give women better opportunities to take part in the various activities of our society has to be the $80 million five–year scholarship program unveiled in 1988 to encourage Canadian students to major in engineering, applied sciences, mathematics, agriculture, physics and biology. At least half of these scholarships will go to women. The contribution of women is essential if we want Canada to compete successfully in tomorrow's world economy, and this program reflects that fact.

Madam Speaker, our government has made a firm commitment to women's equality. Amendments already in place provide a stepping stone towards that goal, and we want to continue to work as a full partner in promoting the right of women to full and equal participation in our society.

We have also focussed on the needs and aspirations of immigrant women. We have set up a language training program.

• (1330)

In view of all those objectives, Madam Speaker, we can say that some things a have been achieved, but that there is still much to be done. And we believe some degree of cooperation is in order. The government program I am the proudest of as a woman is the Scholarship Canada studies fund. If I were sitting on the other side, I would make an effort to consider Bill C–21 and the harm it has done to women. I can tell you that I have heard of more problems and received more inquiries from women about that question than on any other. The same is true

of the child care program that the other place has rejected as insufficient in 1988.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I want to thank the hon. member for Charlesbourg, but I would also like some further explanation. She mentioned the contribution her party made to women, the economic impact women have had in our country since her government took office, the strong commitment made to women, and the promotion of womens' rights. However, as far as employment equity, and equal pay for equal work are concerned, can she tell us how the Secretary of State can subsidize a group, like REAL Women, which is against equality for women and has made its position known to the Committee on Abortion? How can she explain that? And what about immigrant women. The immigrant women in our province, which is also your province, Madam Speaker, are probably the ones most in need of these women's centres. If we really want to promote equality for women, we must work with these centres. Battered women need those centres. The same goes for women in trouble. Back home, in Quebec, the closure of women's centres will cause almost irreparable harm. I would like to hear what the hon. member has to say about that.

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of Supply and Services): Madam Speaker, as I would like to point out to the hon. member, we all agree that the work done in women's centres is most important. But this area must as any other reflect the changes our society has undergone. Reference was made earlier to progress in some areas. It is a fact that women's groups have contributed a lot to our society's evolution. We now have a co-ed society, which probably was not the case when you were going to school nor indeed when I was; we have a society where boys and girls share the same education system; when you go to a university you find that often female students out number male. If we do not face up to the fact that society has changed over these last 20 years, we will still be addressing the problems of 20 years ago rather than the present ones. We must be able to adopt and to change, we must find new ways to meet those challenges. On a number of occasions today, during Questions Period the minister had this answer: Submit applications! For core funding, applications have bveen made yearly anyway. Test the system, submit your applications. You would not have to wait long for an answer. We will treat them on a priority basis so that you know exactly where you stand.

It seems to me this is a lot of noise rather than a attempt to find out what this is all about. Is the change so dramatic, or does it allow us not only to identify core needs but also to specify the scope of activity of an individual group?

I was once much involved with consumers'groups. At one time, we reviewed grant programs. I can tell you those programs are very similar to women's programs. However, applications once decided upon must be replaced by others.

As I said earlier: Yes, we have done a lot of things. But we are not ready to say there is nothing else to do. There remains a lot to do. We must move forward, it is imperative that those centres, those groups, keep on working. We are asking them to change their procedures, which does not mean we are not willing to keep on working with them, in the best interests of all women in Canada.

[*English*]

Mr. Ross Reid (Parliamentary Secretary to Minister of Fisheries and Oceans): Madam Speaker, it is a pleasure and a privilege for me to speak in the debate this afternoon. The issue of the women's centres has been no more an issue anywhere in the country than in my own community and in my own province.

In Newfoundland and Labrador we have seen the threatening of closure of seven women's centres. At this time in my province they are playing a role that is probably expected of no other women's centres, at least certainly not to the same extent, considering the nature of the economy, the fishery and some of the many other difficult social challenges that we face in coming to grips with some of the realities that we see.

Nobody in our society feels the pressure, takes more of the responsibility and is left with more of the task of keeping a family together, particularly in a society like ours in Newfoundland and Labrador, than the woman. We are seeing in our women's centres and in other places an increased demand for services for the family and for women as our communities come to face and to deal with the realities that are before us.

Over the last little while the women's centres have played a tremendous role, not only the traditional role of advocacy and providing referral services and education, but particularly in providing a base from which women's

groups—which are community and family groups—can provide other services either directly or indirectly. The women's centres have played a substantial role in the development of transition houses, crisis intervention centres and programming. They play a tremendous role in providing advice to those who need to know about a community or region as they provide analyses of current social trends, the effects of the economy and how a community is responding and the needs of that community down the road.

The women's centres have played a tremendous role in ensuring that all of us know what it is that matters to women, what is important to women and how their interests are best represented, best addressed and kept in the forefront of the minds of people who make decisions or who do things that impact on women.

Therefore, the ongoing role of these women's centres is clearly essential. This is something that I have made very clear to the Secretary of State. He and I have discussed this matter virtually every day for the last three weeks. I know that he understands the situation in Newfoundland and Labrador.

He has met with me and with the chair of the Provincial Advisory Council on the Status of Women. He has met with me and with the provincial Minister of Education who was representing his colleague who is responsible for the status of women. He has had his officials meet with officials of other departments on the basis of conversations that I and others have had to bring people together.

• (1340)

The point of all that is to bring together the resources of the Government of Canada, the province of Newfoundland and Labrador and the community to ensure that the ongoing support and resources are available so that the women's centres in Newfoundland and Labrador can continue their work.

We can sit around and debate and argue about core funding, about this, that and the other envelope. My concern is that those seven centres are able to continue. They must continue.

I am not going to spend resources and energy banging my head against the wall, when in my view I should be out trying to deal with the situation that we have in front of us. That says to me that I, and I know others, including and especially the Secretary of State want to put together those resources so that we can continue the operation of these centres.

We have increased funding in Newfoundland and Labrador. That funding has a much greater flexibility that will allow us to have these facilities continue.

What is essential is that we meet and sit down with officials of the Secretary of State and representatives of the women's centres. The minister has said that he will meet with representatives of the women's centres.

We have seen the effectiveness when dealing with the Second Storey Centre in Bridgewater, a centre that we all know is very effective and has done a tremendous amount of work.

We do have the capacity to make this happen, if we have the will. The need is there. There is no one in my community who disputes that. What we need to do now with the help of the Secretary of State who has made it very clear to me, to this House and to people across the country, and who is prepared to be flexible and move forward with the type of funding that we need, is to ensure that the centres continue. More than anything, it is important to ensure that the centres do continue now and into the future, so that they can continue to provide the services, the voice and the education for women in my province where, sadly, it is still needed as much as ever.

The Acting Speaker (Mrs. Champagne): On questions or comments, the hon. member for Nepean.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I listened with a great deal of interest to those who spoke before me. I am not speaking this afternoon on this subject as much as I would have liked to. I would just like to make a couple of comments before I ask my question.

There is no doubt in my mind, or in the mind of any woman who sits in this Chamber, that we have made great strides as women in this country. All we need do is look at the number of members of Parliament who are women, the number of women who are on the bench, the number who are educators to confirm that. Women are playing key roles in helping to change the fabric of our society in the way that our country is moving and governed.

That is a positive statement. I am proud to be part of it.

There is also a segment of our society that needs our help, support, dollars and appropriate legislation because it cannot possibly survive or achieve the status that we would like it to achieve unless we do provide help.

I do not think these women want handouts. Women are not like that. We do not want to be on the dole. But there are some people in society because of their position in life or because of what they have been born into who have no way out.

The previous speaker from Newfoundland stated that eloquently. He recognizes that in his own riding. I congratulate him for that.

I would like to look at a project in my own riding, the riding of Nepean, which is probably considered fairly affluent. But there is not a riding in this country that does not have depressed people, demoralized and deflated people. People in my riding and I have been trying to get a project going. It is called SWIN, Shelters for Women in Nepean. We have applied through the Minister of Housing for funding for that project. We can get capital funding for a shelter for women in Nepean where our women are having to be transported hundreds of miles away if they have to get out of an unhappy home situation. But there is nothing there to help with the operating costs. The government will help build a shelter, but where will the money for the operating costs come from?

To get to the cuts of $1.6 million, I wonder if the the person who was there with that big sharp knife cutting the money from these projects really looked and saw who they were hurting. It is not you or me, not us here in the House. They are hurting the women who can least afford to be hurt. I wonder if they looked at that and decided that it did not make any difference, if they thought that, after all, this is a women's program, let's cut it.

I would like the member to respond to that comment.

Mr. Reid: Madam Speaker, first, I will comment if I may on my hon. friend's comment. One of the problems and the frustrations that we have in a province like Newfoundland and Labrador is that there are a tremendous number of services that need to be provided. But either because the provincial government has its priorities in a certain order, or because it does not have the resources, these services cannot be or are not being provided. That happens with every provincial government in Atlantic Canada. It has nothing to do with parties or anything. That is just the way it is.

As well, the community is often not at the point of being able to provide a service. Needs emerge in smaller communities in rural Atlantic Canada. They have a long way to come compared to Nepean. I think my friend recognizes that.

What we have seen is that out of necessity one way or another, or because of a clear commitment, women's centres have provided a tremendous base of services to women and families, partly in the absence of other people being able to do it and partly, as I say, the commitment is there.

There is no question that we must continue to support women and women's programs directed to those people in our society in the sector that my friend was referring to who need the help the most. Tragically, so many of those problems befall on people simply because they are women. That is something that we must continue to work against in this country. Despite the great accomplishments that we on this side talk about, and which my friend acknowledges, women, simply because they are women, have a tremendous number of problems that the other half of us do not simply because we are men. In this country, that is wrong. It is not something that you change by law, sadly. It is something that you change by attitude.

In terms of commitment, this government has been committed to women in a number of ways. Hon. members have heard about it. I want to talk briefly about one program that we funded through ACOA.

Some $800,000–odd was allocated to develop a women's enterprise centre, to provide women a source of information so that they could start businesses, recognizing that women are under–represented in the business community in Newfoundland and that their capacity is not being developed, enhanced or released so that we can see economic development and job creation.

ACOA put in that amount of money to say: "Let's go. Let's see what is out there. Let's say to women, 'Come in. What ideas do you have? We will help you around the red tape.'" It is not money. It is not source funding. It is not grants or anything else. It is: "We'll tell you how to get other sources of money, what the red tape is, where

the corners are and we will help you cut them." The commitment is there.

Family violence is another area. We are focusing on the illiteracy of women.

There are a lot of things in my province that we have been able to do, but an awful lot more has to be done.

• (1350)

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, all human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood. That is the first article of the Universal Declaration of Human Rights.

I would like to stress the terms "dignity" and "brotherhood". In an increasingly violent society, where the number of the homeless and the needy is increasing, where can we find this spirit of community and brotherhood? In women's centres or, at least, in the few centres that will survive the budget cuts imposed by the Conservative government.

This is the second year the government has drastically cut back on funding for women's centres. It has entirely abolished core funding for organizations that meet a vital need in all communities. These centres, where the majority of the staff are volunteers, were created to respond to emergencies, but this government has said no, no more!

These centres are often the first place where battered women, alone or with their children, go to get some human warmth, assistance, information and especially support, in a crisis situation. Now there is no more funding to help these centres stay open, who will be there? Who will take over? Who will be on call 24 hours a day?

The unemployment rate is rising and, as was announced by the Minister of Finance, will continue to do so. This will only aggravate social unrest, aggressive behavior and poverty. As of next January, the GST will put additional pressure on all those women who already have trouble making ends meet. Where can they go? Where will they turn?

More than 40 women's centres in Quebec alone will be forced to close because the government has cut $1.6 million in aid programs for women. And that, while they are often the sole bread winner. If we refuse to help them, how can they help their children?

And what about the large number of children who lack the very basics, who through these centres were getting some form of assistance and especially an environment that was less disturbed than what they were exposed to daily. All these children living in substandard housing and raised in an climate of despair and violence are the foundation of our society, but the government is abandoning them by cutting funding for women's programs.

Is this how this government intends to prepare our young people for the future, by forcing them into a life of misery early on? Is it trying to show how unimportant the future of this country is, since they are our future and will soon take our places?

Madam Speaker, I know full well that the Secretary of State will answer me that they will support at least 600 projects totalling $6 million, as he told us on March 26. However, he added, and I quote:

> I realize there are areas where far more should be done, including Native women, women who belong to visible minorities, immigrant women and, of course, women living in isolated rural areas.

Since the Minister admits that far more should be done, how can he justify a $1.6 million cut to the Women's Program? The needs are obvious, often urgent, and this money is essential for some 75 centres. It is a matter of life or death for them and the Conservative government is condemning them to death, just to get back $1.6 million. We see how important the human factor is when it comes to money! How sad!

Mr. Speaker, the government managed to add $114 million to the budget for the Canadian Armed Forces in Europe, while the eastern countries are gradually opening up. It was able to find $33 million more for the Canadian Security Intelligence Service. However, it was not able to keep, let alone increase, $1.6 million for the Women's Program. What a curious way to handle a budget.

[*English*]

Women's organizations have been providing for next to nothing the types of information and services which would cost provincial governments millions of dollars to take on. With the budget presented by the Conservative government not so long ago, how are the provinces going

to find the resources to pick up the tab? Who will be losing in the end? Women and children—society as a whole.

What about the Canada Assistance Plan, CAP, which funds social assistance, but which also provides shelters for battered women? With the Tories slapping a spending limit on the three provinces of British Columbia, Alberta and Ontario, what will happen to women in need?

Presently, shelters for battered women must turn away one out of every two women who come to them desperate for a place to feel secure in. Where will they go? What will happen to them? Does the government need that $1.6 million so badly?

[*Translation*]

Mr. Speaker, when I asked the Minister responsible for the Status of Women if she had good news for women's groups in Canada, and I would really like to have some this afternoon, she answered, "As the Secretary of State said, we are looking for a solution. He is prepared to release emergency funds to help these organizations apply for project funding."

I do not understand why, if the minister is prepared to release funds, he has to wait for an emergency. Can this government not do prevention instead of picking up the pieces? The solution it is looking for is so obvious: it only has to assure the women's centres of the money it intends to take from them. Is it not better to invest in something that works well than to have to start all over again in a crisis? Surely, without great effort, we could find a way to help the 75 centres stay open and continue their extremely useful work. When we take into account the efforts devoted by hundreds of volunteers and the help given to thousands of women at a critical time in their lives, we realize that $1.6 million is not much.

Who will be there when the next crisis occurs? The police? The emergency services? Canadian women are not asking the government that much. Don't they contribute their fair share? Why refuse them a little support when they are in dire need?

With the new legislation concerning RRSPs, the conservative government will give a tax break to people earning more than $86,000 a year that will cost the public Treasury a further $400 million dollars, and the same government has the gall to argue that it must cut $1.6 million in the Women's Program. Is that a way to meet the real needs of Canadians?

Mr. Speaker, we are gearing for year 2000 but we forget to prepare those who will be living in the next century. In 1990, the Tory government promised a higher unemployment rate, it cut funding of the Women's Program and capped Canada Assistance Plan contributions in British Columbia, Alberta and Ontario.

• (1400)

Result: In each of the three provinces where a ceiling has been put on CAP benefits there will be no place for more than 50,000 children in day care centres. Has the government any suggestions for parents—single parents in most instances—who had planned to send their kids there?

Result: At least 75 women's homes will have to close down for lack of money. Whom will battered and desperate women turn to in times of crisis? The police?

Result: Ever more women are unable to land a job, but when they do find work they have nobody to look after their children. Who will offer them financial security? The welfare system!

It is a sad comment on our society when the government cuts off essential services and then spends $14 million to promote the goods and services tax which nobody wants and which will only swell the ranks of poor Canadians. Under such circumstances they find it increasingly difficult to keep their dignity and maintain a spirit of brotherhood.

Nothing warrants the $1.6 million cut-back which will force so many women's centres to close down. They exist because they meet a real need which nobody else wanted to meet. They exist because our society is not all that well. They exist because in many instances they faced up to critical situations which others would not even acknowledge. And now the government wants to get rid of them to save a paltry $1.6 million.

Has anybody measured the cost in human failures which will result from the closing of these centres? Has anybody considered its social impact? Has anybody suggested an alternative to face up to the critical situation which will result from this closing? And above all, can anyone explain the logic behind these cut-backs

which, while helping nobody, create hardship for the have-nots in our society.

[*English*]

Mr. Speaker, the more I search, the less I find the logic in a $1.6 million cut, forcing 75 centres for women throughout Canada to close. In a period of Canadian life when tensions are high, poverty is on the rise, violence and crime are daily news and jobs are getting rarer by the minute, we need centres. We need centres for women to help them get through the crisis.

These centres ask government for a minimum. Daily, volunteers are there as a help, as a presence, as counsellors, with time to give and no pay to take. These are the centres the Tories are closing. This is the saving, $1.6 million, that will save the budget?

[*Translation*]

Why is the government so determined to keep women and their children live in misery? What have they said to deserve such a wrath? Is the government demonstrating his lack of consideration for Canadian women by abandonning them in times of crisis? Is it because they never lived through such desperate situations that none of the members on the government side can sympathize with this cause and defend it. Yet, it is not necessary to have experienced every kind of hardship to support such a worthy project. Could it be that this Tory Government has doubts about the usefulness of these women's centres? Could it be the unavowed reason behind these cuts?

Article 4 of the Universal Declaration of Human Rights states: "No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms."

Mr. Speaker, slavery and servitude become the destiny of all the battered women who do not know where to go. It is the destiny of all those who have become homeless against their will. It is the fate of all the have-nots who seem to go through a series of critical situations. As a society, what are we going to do?

Mr. Speaker, in conclusion, I cannot accept the many excuses the Conservative government comes up with when asked to give back $1.6 million, an amount that should not ruin it, to the Equal Opportunities for Women Program. It would thus allow 75 women's centres to continue to deal with crisis situations.

Mr. Speaker, when women ask for help, the government must be totally responsive and support them. That is why I ask once again that the $1.6 million be reinstated immediately to preserve what is in place.

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, I have listened very carefully to the remarks of my colleague, the hon. member for Saint-Laurent—Cartierville. At one point, she mentioned there are 80 women's shelters in Quebec, 40 of which received an operating grant from the federal government. If we look at the level of funding in Quebec, we see that these 40 centres received an average of $8,500 each. As I have often had the opportunity to work on grant applications, I wonder if an organization with very specific goals and the support of its whole community would have much trouble designing and presenting a project for less than $8,500 to the Secretary of State. I understand that, since the situation is not the same in each of the provinces, it would be hard to extrapolate.

I am talking about what is done in the province of Quebec. We know that all women's centres are also funded by the Quebec government as well as by municipalities and local social groups. But I know full well that it may not be the case in all provinces. In Quebec, that funding represents $8,500 for the operation of the centre. That is the present funding level. Does the hon. member think that the switch from core funding to project funding could jeopardize women's centres in the province of Quebec? I would like to tell her that, at the moment, the reaction we get is that the change will not jeopardize women's centres in our province. I would like to hear her response to that question. Does she think that it is impossible right now to switch from core funding to project funding?

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I wish to thank the honorable member for Charlesbourg for her questions. What I fail to understand, however, is this. Is it because there is not as much hardship in Quebec than in other provinces that $1.6 million, a trifle amount indeed compared to our overall national budget, is not considered important? In my area, women's centres have contacted me. If $8,500—enough money to pay for a volunteer for a year, I suppose—is nothing, why are those women so furious then? Why is the prospect of loosing a mere $8,500 per centre worrying them so much? As far as financial assistance from the Quebec government is concerned, we all know that all provincial governments have seen

their transfer payments cut this year. Therefore, if the Quebec government has to pay a great deal of attention to health care and welfare services, I suppose that the women's centres will get the same deal. Again, what is $1.6 million? If you have close to a million to spare for projects, why not reinstate the $1,6 million program that made many centres happy?

• (1410)

Mrs. Tardif: Madam Speaker, I would like to reformulate my question. I was not talking about maintaining a grant of $8,500 or about doing away with a grant of $8,500. I was saying that in Quebec the average was presently $8,500, and I was asking my colleague whether the fact of going from core funding to project funding would really make a difference? Is the centre in her own riding, for example, not capable of submitting a project application instead of a grant application, and of getting about the same amount of money?

Mrs. Maheu: If I take my riding, for example, the new projects are not eligible for core funding. The minister was not clear when he explained the difference between the two. All the women's groups are concerned that the same standards will not apply to both, so that funds will no longer be available. By the way, without the federal government grant, our local centre will not get any other grants. Therefore it will have to close. The situation is very serious.

[*English*]

Mr. Jim Karpoff (Surrey North): Madam Speaker, I have a couple of comments and questions for the previous speaker. I am delighted to see that the Liberals are supporting the NDP motion in the House.

Ms. Clancy: We invented the program.

Mr. Karpoff: Well, they may have invented the program, but I think they have been a little tardy in coming to the defence of women in this debate.

Ms. Clancy: Oh, right!

Mr. Karpoff: The issue was raised initially in this House by the leader of the NDP, Audrey McLaughlin. We are the ones who applied for an emergency debate.

The Acting Speaker (Mrs. Champagne): Order. I am sure the hon. member means the hon. member for Yukon.

Mr. Karpoff: You are right, I mean the hon. member for Yukon, the leader of the New Democratic Party. We are the ones who filed for an emergency debate. We are the ones who put forward this motion in the House and our critic, the member for New Westminster—Burnaby, has been to Newfoundland and Vancouver. She has been working with the women in the centres that have been affected by this program. She is the one who has sponsored the type of dialogue that is going to be necessary to ensure that women's programs in centres are in fact restored.

One of the things that we keep hearing the Liberals saying is that they are supporting this. Can the member recall some of the difficult positions women in Canada were in when the Liberals left government in 1984?

With regard to the issue of wage equity—

Mrs. Maheu: How much are you doing for them in B.C.?

Ms. Clancy: You did a lot for them in B.C., huh?

Mr. Karpoff: I think they are very, very sensitive over there. One of the things I have learned in the last two years is that since the Liberals have become opposition, they talk very nicely but they do not look back on what their record has been.

Ms. Clancy: Where's your record? You don't have a record. You're a broken record.

Mr. Karpoff: I will stack the record of New Democratic Parties in Canada against the Liberal record any time. New Democratic Parties have brought in health care, pensions and other kinds of social programs. The Liberals talk very nice about what they are going to do with regard to women's programming, but then one has to wonder because they keep flip–flopping on every issue. One begins to wonder whether their promises mean anything.

Ms. Clancy: Women, women's centres. Get on the topic.

The Acting Speaker (Mrs. Champagne): Order. I am sorry, I do have to interrupt. The time for question and comments has now expired. Resuming debate. The hon. member for Simcoe Centre.

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, before I start I would like to say that my 20 minutes is going to be shared by my colleague across.

I would like to make a few comments in addressing the motion before this House. The first has to do with the difficulty of bringing this country's deficit under control.

All members of this House are acutely aware that this government is saddled with an enormous debt. We are managing a debt which threatens our existing social programs. But, worse, unless this debt is reduced now there will simply be no hope of our expanding these programs or even contemplating new and needed social programs.

The Minister of Finance and this government are reducing the nation's debt. We have done what had to be done to bring government spending under control. We have started the deliberate task of building toward balanced budgets. It is only when fiscal stability is in sight that we will be able to consider the different social programs which Canada needs.

Yes, we have had to reduce spending in some areas. It was not a pleasure making those reductions. Let no one think otherwise. They were not made because we wanted to make them. They were made because we had to make them.

No reduction is popular. Everyone has a vested interest in some aspect of federal spending and they complain bitterly when that spending is reduced. No one wants their program to be touched.

The reductions we have seen are to areas in which we can no longer afford to participate, or in which we have to move more slowly, or in which other jurisdictions have a more rightful place.

Every member of this House acknowledges that there are women in need of help: women whose lives have been torn by violence against them, women who have been abandoned by their mates, or women whose lives have been disadvantaged. Every member will agree that women's centres provide that help, that they are there for women.

However, every province in this country provides social services to people in need. These social services provide necessary information, provide referral to appropriate agencies, and provide support and counselling. These are provincial services so one may reasonably ask: Why was the federal government supporting another system of services?

Through the Canada Assistance Plan the federal government supports one-half of provincial expenditures on social services for women and other populations. Over the years the federal government has invested heavily in the core funding of women's centres. It no longer can afford to do so and provinces will have to assume more responsibility. However, note that the federal government will share one-half of whatever provinces spend on services for women in need.

As I noted earlier, there are many ways in which women are in need. We have all become acutely aware of the need for more and better child care. It was this government which was the first to do something to address that need. We wanted to do more and members opposite will recall how we were prevented from doing so by the other place. We all now wish that all elements of the national strategy on child care had been put in place. Not all were, and now we find ourselves having to go slower on child care than planned as we manage the nation's debt. However, both the Prime Minister and the Minister of National Health and Welfare have stated on numerous occasions that a national child care program will be operational before the end of this mandate.

This strategy will enhance the well-being of families and children in terms of meeting child care needs. This will affect families all across the country, but some elements were put in place and they are directly helping women across Canada every day of the year.

The federal government has, as part of the national strategy on child care, implemented two major initiatives on child care. In this regard families now have access to enhanced tax assistance for pre-school aged children through an enriched child care expense deduction which was doubled to $4,000 per child in 1988 and a new $200 supplement to the child tax credit. Taken together, these measures assist almost two million families. In addition, a child care initiatives fund has also been established to encourage innovation and enhance the development of approaches and services as they relate to child care issues by providing funding to projects that promote

quality child care services for Canadian families. Women who must work have more affordable child care because of these measures.

• (1420)

The child care initiatives fund, which is just two years old, has had a profound impact on child care in this country. The government has already committed over $33 million in support of some 250 projects across Canada. Members will recall that priorities of the initiatives fund included the stimulation of services within native communities for special needs children, in rural and remote communities for parents who work part time or on shifts, and within multicultural communities.

All of these needs are being addressed. Let us acknowledge the facts. These are the needs of women. These are the needs of women who must work or whose child care arrangements make work difficult and complex. Addressing these needs lets women participate economically and equally. It helps women obtain the training and education which they need to enter and rise in the labour force.

Let us look at just a few of the projects being supported by the child care initiatives fund. In Montreal the Board of Trade is stimulating employer supported child care. It is persuading its members to develop services for employees. In Langruth, Manitoba the Lakeview Children's Centre is developing child care services for farm women of that community. Big city and small town, women's child care needs are being addressed.

In Edmonton the Franciscan Sisters have established multicultural services to support parents while they establish themselves in this new land. The Family Service Bureau in Regina will provide emergency services for sick children to assist working parents.

Projects to provide care to children after school until their parents are off work are being undertaken in Fort St. John, B.C. and Windsor, Ontario. Groups in Kent County, New Brunswick and Red Lake, Ontario are designing services which let handicapped children be cared for with other children.

Perhaps most gratifying of all is the success of the child care initiatives fund in assisting Indian and Inuit communities in the design and development of child care. Some 20 per cent of its projects have been awarded to our native peoples. Who more than our Indian and Inuit women deserve help? The initiatives fund is helping.

These are all demonstration projects. They are to test new and better ways of caring for children. Clearly the parents of the children served by these projects will benefit but, in time as other communities see what can be and has been done, the parents and their children in those communities will benefit. Most of all, the women of Canada will benefit.

While the motion before us would have you believe, Madam Speaker, that this government does not care about women, it is quite clear that we have initiated programs which are very much for the benefit of Canadian women. In these tight economic times we have had to make choices. We have chosen to support women and children.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, I wonder if the member who just spoke would comment on some of these choices.

Does she really believe that the Halifax office for visiting cabinet ministers, at $1.6 million, is worth more than all the 75 women's centres across the country and the thousands of women they serve?

Does she really believe that Boeing Corporation is more worth $161 million, that is 100 times the amount we are talking about, than all the 75 women's centres?

Does she really believe that a $500 million increase to the Department of National Defence budget, which is now $11 billion—the $1.6 million for women's centres would have been one three-tenths of 1 per cent of that increase; not the budget, just the increase—is a better choice than 75 centres for women right across the country?

Does she really believe that ceremonial state activities are worth $3 million, twice the amount that has been cut from women's centres right across the country?

Does she believe the Canadian Security Intelligence Service is worth $32.6 million but all the women in Canada and their centres are not worth $1.6 million? Did she notice that most of these priorities of her government are male priorities?

Mrs. Anderson: I think that comparing the $1.6 million reduction on the women's program to a project that was announced and created two years ago is hardly a fair comparison. The cabinet ministers' office in Atlantic Canada is very important. It is actually going to help the government to have that.

Boeing has created a huge number of jobs for Canadians. It has a tremendous number of orders on file. In fact there are so many of them that they are going to go on creating jobs for Canadians.

Mrs. Catterall: How many women?

Mrs. Anderson: I did not ask how many women. I am not sure how many are in there. I know my daughter is one of them; she is an engineer there. She is a good one.

I would like to point out that during the years 1979 to 1984, under the Liberals, $12 million was committed for women and our government has committed $56 million from 1984 to 1990 for women. I think that is pretty good.

I think that probably will answer the hon. member's questions.

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I would like the member opposite to respond to a question. Is she aware that the government has scrapped the national strategy on child care? Is she aware that the Canada Assistance Plan which provided funds for child care was also capped by this government?

She made a number of glowing remarks about this government's commitment to women, quite apart from what the motion addresses. I suppose, if you are asked to talk about wasps and you would prefer to talk about bumble-bees, it is nice to talk about bumble-bees. The motion is very explicit in wanting the core funding to be reinstated women's centres, but if she wants to talk about other things we are prepared to talk about other things.

Is she also aware that the transition houses in British Columbia, Alberta and Ontario are affected by this latest budget cut through the cuts to the Canada Assistance Plan? These transition houses, where women who have been battered seek refuge, are having their funds reduced. Is she aware of all of those things?

Mrs. Anderson: Madam Speaker, I can start with the national strategy. The national strategy was a program that we had in place which did not get passed, as you will recall. I think the reason was a few members did not support it. There were three parts to that program. Two of them—

Mrs. Catterall: Who cancelled it?

Mrs. Anderson: It did not get through the other—

Mrs. Catterall: Your government cancelled it.

Mrs. Anderson: No, it did not get through the other place, either. Do you recall?

Mrs. Catterall: Your government cancelled it.

Mrs. Anderson: No, that is wrong. That is not correct. We have promised it by the end of this mandate. It will come through before the end of this mandate. We have promised it.

The child care special initiatives fund, to which we have allocated $100 million over seven years, has been in place since April 1988. There have been 217 projects approved for a total allocation of $29.8 million. The tax assistance measures include a $200 supplement to the refundable child tax credit for pre-school children. This is part of that national strategy. I know as part of the strategy the government has proposed the expenditure of $400 million over the seven year period to increase the number of good quality child care spaces. However, the government decided at the time of the 1989 budget not to proceed—

• (1430)

The Acting Speaker (Mrs. Champagne): I am sorry, I have to interrupt the hon. member. The time has expired. On debate, the hon. member for Regina—Wascana.

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, this has been an interesting debate, which I know every political party in the House of Commons takes as a very serious matter.

I believe the debate is just a matter of semantics. Yet the public who are watching are probably going to take sides, and when they weigh the value of the debate at the end of the day, they will wonder how any specific issue would cause a split of opinion among hon. members, because everyone agrees with the importance of the matter before us.

Therefore, we are arguing semantics, which is unfortunate because it does take up an awful lot of Parliament's time. Unfortunately, that seems to be the way it is.

I know that there are some members who were not with us earlier when there was this outbreak that caused those of us on the government side no doubt to sit with a smile on our faces at the conflict that appeared to be between the members of the New Democratic Party and the Liberal Party. It was an exchange, a series of *mea culpas*. I was there first, whose on second, what's his name is on third. Fortunately, it did not go on but it did seem to break the strain that seemed to be in evidence at the time.

That seems to be over, but I notice that there are two very strong voices in the Liberal party who no doubt will not let me go unscathed after I sit down. It is their job and I can see from the expression on their faces that it will be their absolute delight and pleasure and there will be a few more pleasures down at the other end of the Chamber as well. With that brief assessment of how I view where we have taken ourselves so far today, I wish to express that it is with pleasure that I have the opportunity to speak to the opposition motion concerning the reinstatement of funds to women's centres.

Madam Speaker, I want members of this House to know that we, the government, have had a longstanding interest in promoting the health and well-being of Canadian women. The federal government carries out, as you well know, a variety of programs that address the particular needs of women. In recent years, we have developed new initiatives such as the one to prevent family violence, to respond to the concerns that women themselves have told us are important to them.

Family violence is an issue of tremendous concern to women and to Canadian society generally. We estimate that between one in ten to one in eight women each year are physically abused by the men they live with. This means that as many as one million Canadian women each year are being abused by their husbands or partners. We also know that the majority of victims of child sexual abuse and abuse of the elderly are women. The Badgley Commission reported in 1984 that half of all young women have experienced some form of sexual abuse.

These figures are horrific. Ten years ago, we as a society were largely unaware of the seriousness and extent of this problem. Since that time, it has been women themselves who have worked long and hard to bring to light the problems of family violence and violence against women. This government has vowed to help them.

The federal government through the Department of National Health and Welfare and other departments has worked and worked hard to support women's groups in creating greater public awareness of these issues. We have supported public education programs, national and regional conferences, training initiatives and research studies to create greater public awareness of the causes and consequences of family violence. During this time we have worked closely and consulted with many women's organizations and services all across this country.

The federal government is and remains committed to working with Canadian women to create a society where women do not have to fear for their personal security and lives, either at home or in public. To this end, the federal government announced in June, 1988 a new federal initiative on family violence. This initiative, which is currently under way, has a budget of $40 million over a four-year period and involves 14 federal departments carrying out measures to address family violence. The Department of National Health and Welfare plays the lead role in co-ordinating this initiative.

Under this initiative, we are seeking to better co-ordinate existing federal activities on family violence, to augment these with new activities and to create better means of co-operation among federal departments, provincial and territorial governments and NGOs.

We are working on a number of fronts to prevent and reduce family violence. For example, we are supporting front line voluntary organizations that help women affected by family violence. We are developing new approaches to policing and enforcement. We are supporting research studies on better ways to treat offenders, providing services to native communities experiencing family violence. As well, we are supporting the training and education of professions to better equip them to recognize and deal with family violence. We are also working to develop, in consultation with provincial and territorial governments, provincial associations,

business and non- governmental organizations, a concerted long term strategy to address family violence.

I do not think there is anyone in this House who has not had or heard of some kind of example of how much work remains to be done in the area of violence against women. My wife works in a related area and her work there has taught me much. Exposure to the problem has convinced me how important this work is and how necessary it is.

In the case of one pregnant teenage student in my wife's program, the teenager was pregnant for a second time. The pregnancy was caused by her father who, when the teenager indicated that she was going to the police, was struck on the head by the father with a baseball bat. She now suffers from a permanent lingering side effect of this assault. When she was asked why she and her mother did not leave, she answered that as rough as it was at home, it was the only home that they had.

New initiatives are required. One of the most significant elements of these initiatives is a new program called Project Haven which is providing $22 million over four years to increase the number of emergency shelter units or rooms for battered women and their children across Canada. Emergency shelters are an essential resource for battered women and their children. They provide short term accommodation and a safe haven for women and their children who have had to flee an abusive home. Research indicates that a typical victim of such abuse will have been beaten an average of 35 times before she seeks help. Emergency shelters, as well as providing much needed protection, also provide a supportive environment, counselling and information on the options available to women to deal with the problem of abuse.

Project Haven is managed by Canada Mortgage and Housing Corporation on behalf of the Department of National Health and Welfare and contributes up to 100 per cent of the capital cost of constructing new shelters. The cost of operating the shelters after they are built will be shared between provincial governments and the federal government. We have agreed that provincial governments approve new shelters before we proceed with capital funding under Project Haven and we have established co-ordinating mechanisms with our provincial counterparts to set shelter priorities and to review funding applications. We have placed priority on serving areas which are especially underserviced in emergency shelter facilities and we will give priority to special client groups such as disabled, immigrant, rural and native women.

By the end of the four-year initiative, in March of 1992, we expect to have created an additional 500 new units for battered women. We estimate that these new shelter units will accommodate about 25,000 additional women and children per year on an ongoing basis.

To date, federal officials have negotiated final arrangements with their provincial counterparts for the construction of 301 new shelter units under this program. Project Haven represents a significant undertaking by the federal government to address the needs of Canadian women who have been victimized by violence. It is an example of the kind of co-operative undertaking we have been developing under the family violence initiative where we have worked closely with provincial-territorial governments and community women's groups. Under the current initiative, we have responded to the most immediate needs such as emergency shelter of abused women. We have also undertaken a process of consultation and planning with other government and non-government organizations to develop a long term, national approach to preventing family violence.

We expect that many of these longer term initiatives will become integrated into the ongoing activities of federal departments. We intend to continue our initiatives to prevent and reduce family violence and to continue to consult and work with women's organizations in this process.

As I noted earlier, family violence and other forms of violence against women remain a major concern and priority of women's groups and individual women across this country. Preventing such violence and obtaining full equality for Canadian women will also remain a major concern and priority of this government.

The Acting Speaker (Mrs. Champagne): On questions or comments. The hon. member for Surrey North.

• (1440)

Mr. Jim Karpoff (Surrey North): I have heard a lot from the government this afternoon about how much progress has been made for women in Canada. Usually government members keep referring to very high status, high profile women. There has been some progress made in terms of equality for women who come from families

who have a great deal of power and a great deal of financial influence. But when you start looking at what is happening to women who are not quite as economically fortunate, you begin to wonder. Some of the programs they brag about, you should really take a look at. They talk about the family violence program on which they are going to spend $40 million over four years. That amounts of $10 per battered woman per year.

There was a lot of discussion from the previous speaker about Project Haven. It was supposed to provide 500 beds. Two years later it has provided 49 beds.

At the same time, in the last budget they introduced a limit on Canada Assistance Plan funding, which will limit the operating cost expenditures in provinces like Ontario, Alberta and British Columbia.

I have heard talk from the government about employment equity. Since this government has come to power, the wage gap between men and women has increased. When they came into government, women were receiving 66 per cent of the average wage of men. They are now receiving 65 per cent. It has been reduced. Yes, there are some very high profile women, including cabinet ministers, but the average working woman in this country is worse off.

They talk about pay equity in terms of the public service. Yet the government stalled for five years on pay equity and then only offered one quarter of what they were entitled to.

They have talked about language training for immigrant women. The government has not eliminated the inherent discrimination against women in government language training programs. Why did the government eliminate the settlement language training program that mostly affects women? It talks as if it is improving things, but then it eliminates one of the most effective programs, the language settlement training program that was mainly used by immigrant women.

It talks about native women. Well, I do not understand how any member of this government can get up and talk about native women, when it has just cut $9.8 million from native programs.

The most laughable one is when it starts talking about child care. This government promised and promised child care, and once it gets elected it withdrew all its promises and is now trying to suck the Canadian people in so that it can promise it again.

There have been problems in my own municipality with loss of child care spaces, loss of basic child care. It is very nice to have initiative programs which would be icing on the cake, if there was any cake. In my own municipality of Surrey, the women's centre—I could not possibly be out of time already.

The Acting Speaker (Mrs. Champagne): The hon. member was recognized on the five minute question and comment period. There is about one minute and fifteen seconds let, and I thought he may want to allow the hon. member some time to answer.

Mr. Karpoff: Madam Speaker, I will certainly put my question. The previous speaker stated that this was all a matter of semantics. In my own municipality of Surrey in South Surrey—White Rock, the women's centre's core funding was reduced by $25,000. They have had to close their sexual abuse program, their battered wives program, and they are going to be able to keep the doors open by bingos and casinos. I ask the member whether he thinks that is a matter of semantics.

Mr. Schneider: Madam Speaker, in the less than one minute that I am allowed to respond, I have made points on about six or seven items that my hon. colleague made reference to. I only wish I had the opportunity to address each and every one them, because certainly I could. I will respond to two in the very brief period of time that remains.

With respect, I am totally appalled at his example of our efforts being made only in areas that affect high quality or high status women. On the one hand, if there is not some acknowledgement being placed towards the very significant and real contribution that women can make in positions of so–called status, our efforts are deemed to be useless and worthless because they are, after all, not meaningful.

On the other hand, I can cite many examples and cases of situations where I have personally been involved representing the Government of Canada where our efforts have been made by and large at numbers of people who are suffering from a broad perspective of problems.

The very last item the hon. member raises is the one about semantics. The difference between operating funds and program funds is, in a nutshell, the difference between having an organization that is responsible and accountable for its funds, as all members in the House of Commons must be, as opposed to those who are not. Simply to disburse a pailful of operational funds at a business location with an address and expect that it will do good things is not good enough for the people of Canada.

They have told us that they want all such funding sources to be truly accountable and responsible to the people of Canada. It is therefore to that degree, in that extent, that the hon. Minister of State, I think rightly, has made money available on a project by project basis.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, I do want to talk about these semantics which the previous speaker brought forward. It seems that a great deal of words have been put around the issue by the government, because it chooses not to address the issue.

The issue is women's centres, centres operated by women and for women. The issue is $1.6 million that the government has chosen to cut completely so that those centres have no federal funding. The issue is, will the government, or will it not, recognize its obligations to give women the ability to speak for themselves, to decide for themselves what programs and what services they need. Will the government restore the $1.6 million? That is the issue on the table today.

The government members so far have chosen not to speak to that issue. They have talked a great deal about what they have done for women. In the last three years funding for women's programs has dropped from $13 million to $9 million. It is a simple fact of life that with dollars in your pocket or in your bank account, you can accomplish something and without them, you cannot.

The government, not only by this year's cuts to the women's centres, but by last year's cuts to women's programs, again a matter of 15 per cent, has chosen to stifle the voices of women, to cripple their ability to gain equity in Canadian society. It is doing it not only through the women's programs. It is also doing it through having allowed the Court Challenges Program to lapse and giving it nothing but a temporary, interim amount of funding to carry on. What that has done is completely thwart the efforts of many organizations to bring to the courts the issues that are constraining women's equality, to attempt through the courts to firmly establish women's rights under the Canadian Charter of Rights and Freedoms.

The attack on women, women's programs and on women's rights is not limited to the total cancellation of funding for women's centres in 75 communities across Canada. It is happening throughout government programs.

It seems to me that perhaps members opposite need to be reminded what the women's centres do. Fundamentally, they empower women and allow women to come together to determine their needs, to gain knowledge, confidence and the skills that they need to function fully in Canadian society whether that be as mothers staying at home, as grandmothers, as young girls growing up, as women entering the workforce or as women still in the workforce. That is what the government wants to cut, the ability of women to establish themselves clearly and unequivocally as full participants in all aspects of Canadian society.

• (1450)

Lest people think that there is no need for that, women have arrived and are sitting here in the House of Commons in miniscule numbers, but nonetheless they are here and we do not need to do anything more for women. I think that is the tenor of some of the discussions I have heard today.

I want to remind the members of the House that for many decades the status of women was determined on an 1876 precedent of British common law that ruled that women are persons in matters of pains and penalties, but not persons in matters of rights and privileges.

Every October, the women in this House and other women get together to celebrate the personhood of women that was decided in 1929. The personhood of women was never decided by a court in Canada. It was decided by the Privy Council in Britain. The last pronouncement of the Canadian courts on women as persons per se, was the following: "That since persons required for the public office must be fit and qualified, only men would be eligible for appointment to the

Senate". They were ruling specifically on a request that women be defined as persons.

I want to talk very briefly about some of the indicators that women still are far from equal participants in society, that the disadvantages that any person can suffer in society are suffered double, triple or quadruple and more by women.

One in four women in Canada can expect to be sexually assaulted at some time, half of them before the age of 17. A million Canadian women are abused by their husbands or live-in partners every year. Fifty-six per cent of women do not feel safe walking around their neighbourhoods in an urban environment.

Over 42,000 women stayed in crisis shelters in 1985, with 55,000 children. I ask, as we think about women, that we remember that for the large part, women and children are still a unit. Children are the responsibility of women. While there may be some single parent fathers caring for children, the vast majority of children with only one parent are the responsibility solely of women.

What happens to those families? In the first place, if you were in a family headed by a woman, you were five times as likely to be poor than if you were in a family headed by a man. You were only one-quarter as likely to complete high school and go on to university, if you came from that kind of a family.

I want to put in a few statistics about the record of women and their economic status since this government has come to power. In 1984, two-thirds of all poor seniors were women. We hoped that was changing and that we were recognizing the poverty of women as a serious, social and economic crisis and moving towards improving it. But, no, in the last five years it has changed from two-thirds of all poor seniors being women to three-quarters of all poor seniors being women. In case the members opposite are not terribly good at mathematics, that is an increase from 66 per cent to 75 per cent of all poor are women.

I want to talk about why the women's centres fill an important role. The fact is that women experience life in our society differently than men do. There is very little in the public policy structure or in government that recognizes that. How often in the House do we see a male colleague stand up and address any area of their responsibility from the perspective of how a policy or a program or a budget decision affects women?

Ms. Hunter: It depends on which party.

Mrs. Catterall: Only yesterday, I had to send a note down to the party on my far left to remind one of their key spokespersons that when he talked about the impact of free trade on businessmen, he was excluding one-third of the business people and the businesses in this country. It depends on which party, the member said. Ignorance and neglect of women's issues exists in all parties.

It is not only on the front of the women's centres where there have been cuts. Multicultural programs have been cut which will mean the closing of many heritage language schools and it is certainly going to mean the reduction of heritage language schools. Those heritage language schools are the vehicle through which many women are involved in a meaningful way with the rest of their community.

We are cutting funding to native programs, affecting the ability of natives to communicate with each other and to advocate on their own behalf. Members opposite should know that if you happen to be a woman from a multicultural background or a woman from an aboriginal background, you are doubly discriminated against and in double jeopardy.

I want to know why the minister responsible for this program sits there today and talks about project funding. I heard a very paternalistic attitude in that which says basically: "We know best what is good for you girls out there. Just be good little girls and tell us what you want to do with your money, and we will let you have it". The government will not acknowledge that women's centres, run by women for women, are a good thing because they give power to women to make decisions for themselves and to set their own course in life. The government says: "We will tell you what is good for you and we will let you have some money, if you are good little girls and behave yourselves".

I want to know why women have been arrested in St. John's and charged with public mischief for demonstrating quietly in a federal government office. They were sitting there quietly and making their presence known, nothing more, and they were charged with public mischief. Well, the public mischief is the Secretary of State.

Why are we so afraid of women quietly expressing their opinion that we lock government offices against

them? Are they such a threat? The building owner, in whose halls women were demonstrating, did not choose to call the police. He did not find them an interference. He did not find public mischief, but their own government did.

I read into the record earlier and I am going to do it again, the kinds of choices that this government has made when it comes to cutting money and the kinds of choices it has made about where to increase its spending. The Halifax office for visiting cabinet ministers, $1.6 million dollars. That is the same amount that is now being taken away from 75 women's centres across Canada. Boeing Corporation, $161 million, 100 times the amount required to keep all the women's centres in Canada open. Then the increase in the National Defence budget,$560 million: one-third of 1 per cent of that increase would keep all the women's centres in Canada fully funded to the extent they are now. Ceremonial state activities was allocated a $3 million increase. I wonder if this includes the ceremonial investiture of the Governor General of Canada, where women were excluded from participating, even though they are members of the Governor General's Footguards.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The debate being concluded, proceedings on the motion before the House are now concluded, pursuant to Standing Order 81(17).

It being three o'clock, this House stands adjourned until Monday next at 1 p.m., pursuant to Standing Order 24(1).

The House adjourned at 3 p.m.

HOUSE OF COMMONS

Monday, April 9, 1990

The House met at 1 p.m.

Prayers

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

AGRICULTURE

WESTERN GRAIN STABILIZATION ACT

The House resumed from Thursday, March 22, consideration of the motion of Mr. Althouse:

> That, in the opinion of this House, the government should consider the advisability of introducing measures to amend the Western Grain Stabilization Act to include coverage for producers who feed their own grain to their livestock.

And on the amendment of Mr. Funk (p.4792).

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, it gives me a great deal of pleasure to stand today and speak on this private member's motion. I must say, as in the case of a good many other motions which have come before this House, this is an example of how effective the idea has been.

The hon. member for Mackenzie is to be heartily congratulated for having brought this matter to the attention of the House. In spite of the fact that the Western Grain Stabilization Act and the Agricultural Stabilization Act pretty well cover the whole sector of grain growing in our nation, and although they have been effective in giving some kind of stability to the grain growing people of Canada, there always has been a deficiency when it comes to those who grow grain which is used on the farm for feeding cattle, poultry or pork.

• (1310)

I was going to say that that has been a serious oversight, but that would be overstating the matter. The fact of the matter is that it is high time that this situation is addressed because in Canada we are so well aware of the need for secondary industry. What the two acts have done is, in a very serious way, hamper the development of secondary industry in agriculture. They put the person who did use the grain on his farm at a disadvantage in so far as other producers in the field were concerned.

This motion goes a long way to alleviating that situation. I understand it has the support of all parties in the House. I think it is a very progressive thing for the Parliament of Canada to be doing.

As I was saying, this motion establishes more firmly the concept of secondary industries within the primary industries in our nation and will go a long way toward doing several things. Hopefully, in so far as the stabilization of the rural economy is concerned, it will help to stop the exodus of people from the rural areas into the cities and should go a long way toward stabilizing the rural populations of our nation in general. The reason for that is it will provide stabilization for the secondary industry and some growth in it as well.

The production of pork, chickens and cattle by the smaller producer will give a stability to these people as well. It will also provide an incentive for people to get away from growing grain only and back into a more labour intensive situation. Again, as I said before, this will help to reduce the depopulation of our rural areas.

There had been some concern expressed in so far as the administration of the program is concerned. I understand that was one of the reasons the concept had not been introduced more rapidly than it has been up to this point. There have been demonstrations in a different context, primarily with the administration in the province of Alberta, in a roundabout way, of getting the Crow benefit to farmers, something which my party and I do not agree with. The idea, the concept, the certainty introduced by the member for Mackenzie that the

program can be administered is there. It is something which we should all recognize is possible and will work well. Proof of that has been that it is going to be copied, if it has not been already, in the province of Saskatchewan and in the province of Manitoba as well. It may not be too effective to list a great number of the organizations which have supported this idea, but we could certainly include the Canadian Pork Council, the Ontario Federation of Agriculture, the Christian Farmers Federation of Ontario, the Ontario Milk Marketing Board, the Prairie Pools and many other organizations which are almost too numerous to mention.

It is very gratifying that we now have what looks like, almost without question, the support of the House of Commons. Certainly Canadian agriculture will be taking a more stable step forward with the passage of this very important motion introduced by my colleague, the member of Parliament for Mackenzie.

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Perth—Wellington—Waterloo and then the hon. member for Broadview—Greenwood.

Mr. A. H. Harry Brightwell (Perth—Wellington—Waterloo): For a minute, Mr. Speaker, I thought I was going to have the hon. member's riding, which is a very rich riding—I probably wouldn't mind it—but mine is rich as well in the great agricultural traditions of Canada. I am delighted to represent my riding. It probably has more pork producers, dairy producers and chicken producers than most other ridings in Canada.

I rise with pleasure to speak on the motion of the hon. member for Mackenzie, as amended by the member for Prince Albert—Churchill River. It doesn't make the changes that have been suggested here this afternoon. It simply proposes that the government consider changes to the Western Grain Stabilization Act and the Agricultural Stabilization Act to allow payment for grains grown on the farm and fed to livestock on that farm.

I support and have supported this principle for many years. Four years ago the mover of this motion and I sat on the agriculture committee when we made a different recommendation which I will read into the record in just a minute.

I support this motion even though I believe it is a little late. It is late because the need was seen five years ago when grain prices first dropped. Payments to the grain farmers were very large at that time and the pork, chicken, poultry and beef producers were not allowed access to these very large payments.

They saw support going to people who grew their crops on the same type of land right next door to them. They sincerely wanted part of that type of support. But now the five-year average for the crop is so low that the issue is only one of principle. Perhaps in the future if it occurs again in the same set of circumstances, the changes that are suggested here today will have impact and in that light I am delighted to support the motion.

It is too late, as well, I believe, simply because the government has already moved to cover most of the areas concerned. I hope I will have some time later to mention the amount of discussion that has taken place on the safety net proposal. These are discussions that involve many groups and farmers to the point that the agricultural community is almost "discussed out". The farmers hardly have the energy to keep up to the many discussions. The motion comes almost after the fact because we have already moved in this particular area.

I am sure that some of the effects of low grain prices are helped through the stabilization programs that are in place in the red meat sector. But they do not make the wide changes that are built in, which occurred in 1985 and 1986. The farmers like to consider themselves as having two enterprises, the first a grain-growing enterprise and the second a livestock enterprise. I can understand their concern.

Perhaps I could take a moment to add that some of my farmers believe that if they got their subsidy or help in the grain industry, instead of through the red meat industry, then somehow American farmers would not see the stabilization for pork, which has been high in the last little while, as a countervailable item. Somehow they would see it as similar to their deficiency payments and their target prices. Therefore, it is thought, they would not introduce countervail actions.

On the other hand there is also the thought among beef farmers that if we do stabilize grain, then the Americans will indeed see that as a countervailable subsidy which could create the possibility of a countervail action.

I want to go on record as saying that I believe it does not matter how the subsidy arrives in a farmer's hands. If our good, efficient producers can sell a product into the American market and appear to be displacing their producers, then their producers will start a countervail action regardless of the method by which the subsidy is given. Indeed the only solution that is going to stop the countervail program, something which is off the topic

here today, is an agreement to net out subsidies which can and will, I hope, be arrived at under the free trade discussion.

• (1320)

About four years ago the mover of this motion, the member for Mackenzie, and I sat on the Standing Committee on Agriculture. At that time we passed a motion which reads: "It should be only for the final products marketed that the producer receives market production under the WGSA or the ASA. In the case of livestock producers, they face the livestock market but not the grain market risk. Treating livestock producers as grain producers means the grain may be covered in the raw form and again as it goes into the final product".

You will see that while the government did not move to fulfil the area I wanted, it did follow the direction of the Standing Committee on Agriculture and the direction of the member who moved this motion in this session of Parliament. I am very pleased that now, through the safety net proposal, we are moving ahead to consider a different form of support.

What are the problems if we follow this motion? As I said before, it is just a suggestion about future action. One problem will be that we go to production records. We are not talking about sales any more if we are dealing with home-fed grains. We have to figure out how much grain is grown on that particular piece of land, the land base that surrounds almost every livestock operation in Canada. It is a matter of how to get those records. We simply do not have them. We would have to go to regional records. The very good grain producer, the man who produces the big crops through good management, perhaps with better land, would be hurt because he could not get as much stabilization as he should be getting. The poor producer would have a benefit because he would get more than perhaps he should because of his production.

As well, we have the matter of increased costs. We have the costs of getting these records. We have the costs of paying for the stabilization of this home-fed grain. It has been suggested that it is about 20 per cent, which is perhaps high. But it is a significant amount of Canadian grain that is fed on the farm and there would be an increased cost to the government.

There would also be increased costs in the Western Grain Stabilization Act, as it is now established, to the farmer since he pays a premium for this coverage.

In our red meat stabilization program there is a factor built-in. In the case of red meat it is the market price of grain. I believe there is a compensating factor. It is not adequate, but there is some compensation paid in the red meat programs. If we introduce stabilization to home-fed grains, it has always been my belief that somehow we would have to separate these out. I have not been able to work out in my mind how such a separation would occur.

There is another effect concerning the stablization of home-fed grains. In my riding there are many dairy producers. Their cost of production is worked into the price they can charge for their products. So the cost of growing the grain is built into the cost of the very excellent milk, cheese and butter that we buy. Indeed, if the dairy farmers of Ontario, and I am sure those across Canada, were to receive stablization of home-fed grains it would reduce the cost of production and end up reducing the market price of their product. Thus stabilization of home-fed grains is of no advantage to the dairy producers of Canada.

This government has done a lot to help the grain farmers of western Canada. In 1985, we introduced interim stabilization payments in the spring so that they could have help early in the crop year, if a payment were judged to be due in the fall. We have extended the coverage. Nine new crops were brought in in 1988. We made it easier for farmers to rejoin the program. We wrote down a very large deficit in the program to help the grain farmers. This has resulted in a very large increase in participation which was, indeed, the reason why we undertook all of these measures.

Later, in the last five years, we noticed that the stabilization payments were now doing their job to help the farmers simply because we have had a long term of depressed prices. Before 1984, it seemed that we would have one product down while other products were up. Stabilization in the one product would help to smooth

out the waters. Now it seems that all product prices are low.

You are indicating, Mr. Speaker, that I have come to the end of my time. I appreciate the opportunity to get a few ideas on the record. I had many more. I am delighted that I and most of my colleagues to whom I have spoken are in favour of this principle, although we feel it is probably too late because the government has already acted to consider it.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I will be making a few short remarks on behalf of my colleagues. As the House knows, we on this side are happy to support the member for Mackenzie on his motion.

What encourages me about this particular motion that we are all supporting today is that very few times do we have a motion in the House which receives support from all sides.

The last couple of weekends I have been travelling in the rural areas of Ontario. As I have said previously, we must begin putting the business of agriculture to the very top of the agenda in the House.

Less than an hour's drive outside Toronto young farmers are moving into the city. One can see thousands and thousands of acres that are being abandoned. They are pleading for support and that we all get together. We should apply the all-party support we have for this motion to many other issues that we debate in terms of agriculture in the House.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The first question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some Hon. Members: Agreed.

Amendment agreed to.

The Acting Speaker (Mr. Paproski): 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: On division.

The Acting Speaker (Mr. Paproski): I declare the motion carried on division.

Motion agreed to.

SITTING SUSPENDED

The Acting Speaker (Mr. Paproski): It being 1.30 p.m., I do now leave the Chair until 2 p.m. this day.

The sitting of the House was suspended at 1.30 p.m.

SITTING RESUMED

The House resumed at 2. p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

GOODS AND SERVICES TAX

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, today is a very sad day in Canadian history. Today is the day that the Government of Canada will bring in closure on the goods and services tax, a tax that will hurt big business, small business, senior citizens and everyone in this country. Eighty per cent of Canadians deplore this tax.

For weeks the Minister of Finance has said that there are absolutely no alternatives to the goods and services tax, when repeatedly we have offered him the single tax as an alternative. It is more fair, it is revenue neutral and it will enhance productivity. We implore the Minister of Finance to do an analysis of this study.

For those Canadians who want a constructive alternative to the goods and services tax, please read the *Toronto Star* this Saturday where you will find full details.

* * *

NATIONAL SOIL CONSERVATION WEEK

Mr. Ross Stevenson (Durham): Mr. Speaker, I am sure this House will wish to commend the Government of Canada and the government of the Province of Ontario today for their demonstrated dedication to conserving what is one of our planets most precious resources, the soil.

In launching National Soil Conservation Week, the federal and Ontario Ministers of Agriculture announced a $22.2 million agreement to promote the careful management and protection of soil, to prevent its physical and chemical deterioration and to ensure its long term preservation for agriculture and the environment.

The cost of the programs under the agreement are shared equally between the two governments. Ottawa's contribution goes to providing more extensive knowledge of soil conservation, technology and practices, and to increasing the awareness by farmers of existing problems and the solutions which are available. Ontario's share goes to the existing Land Stewardship Program, providing grants to encourage rural conservation practices that will improve food production, soil resources and quality of water.

We want to congratulate the two ministers, the Hon. Deputy Prime Minister and Minister of Agriculture, and the Hon. David Ramsay for the high priority they have committed to conserving our precious soil for future generations.

* * *

POVERTY

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, study after study, report after report, all point to the same thing; the extent and depth of poverty in Canada is a national disgrace.

Last week a Statistics Canada report noted that the poor in Canada are at risk. Put simply, poverty is a health hazard. Nearly one million children in Canada are poor. In Ontario, 200,000 people depend on food banks and half of these are children.

But what action do we see by governments, both federal and provincial, both Conservative and Liberal, to alleviate these problems? We see the Tory federal government refusing to take the lead and raise the federal minimum wage as a means to redress the most basic need of the working poor—more money.

We see the Ontario Liberal government cut the $1.4 million Emergency Shelter and Assistance Program which helps feed the poor and the homeless. Without it, more will go hungry. It is time governments, both Tory and Liberal, stopped shirking their responsibilities, buried their deceptive rhetoric and took concrete action to assist this country's poor.

* * *

[*Translation*]

THE FORESTIER D'AMOS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the president of the midget AAA provincial circuit in Quebec announced last Saturday that the board of governors, by a majority vote of 6 to 2, had withdrawn the concession held by the Outaouais region and granted it to the *Forestiers d'Amos*, starting with the 1990-91 season.

The Amos delegation, with President Pierre Simoneau, Guy Nolet and several other sports enthusiasts, was responsible for this success.

Since 1977, the Abitibi region has been trying to get a midget AAA provincial league club. Finally, being a remote area was no longer a barrier, thanks to the president of the AAA midget league, Denis Baillargé, to Jean-Louis Carignan and to the governors who believe in hockey and in the Abitibi—Témiscamingue region.

Mr. Speaker, I say three cheers for Pierre Simoneau, Jean-Claude Babin and the mayor of Amos, Jean-Paul Veilleux, for the excellent work they have done. Long live the *Forestiers d'Amos*!

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[*English*]

THE ECONOMY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, contrary to the opposition's doom and gloom projections and their quick-fix solutions, the Minister of Finance and the Governor of the Bank of Canada have received an explicit endorsement of their interest rate policy over the last two years. In the report, *Zero Inflation, the Goal of Price Stability*, the C.D. Howe Institute argues that the monetary policy can achieve stable inflation. According to the institute president Thomas Kierans, the goal of price stability is "the only way to go".

In addition, all of the five contributing economists agree that a 5 per cent inflation rate is too high and it should be moved downward to the range of 0 to 2 per cent. Perhaps their most significant observation is the argument that the benefits of reducing inflation, including lower interest rates, higher productivity and the elimination of distortions and inequities caused by inflation, outweigh the cost of living with it.

Mr. Minister, Mr. Crow, keep up the fight and in the end we will all enjoy the benefits of having inflation under control.

S. O. 31

THE CONSTITUTION

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, it is totally unacceptable that a minister of the government, in this case the Minister of the Environment, should suggest that Canada must choose between Quebec and Newfoundland. Such a statement is divisive and confrontational and should be categorically rejected.

All our provinces are valued, needed and loved, and the Prime Minister should make every effort to bring them together and to resolve the differences among them. Surely there is room for honourable compromise on such important constitutional questions.

Now is the time to build bridges, not walls, and this requires leadership from the Prime Minister and his ministers. In this respect the Prime Minister should call the provinces together as soon as possible to resolve this constitutional impasse. If the statement by the Minister of the Environment is not government policy, then the Prime Minister should repudiate it. If it is government policy, then the government should resign and call an election.

* * *

GOODS AND SERVICES TAX

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, like most issues around here, the GST is getting blown out of all proportion. A recent article in a weekly newspaper in my riding stated that the GST would cause senior citizens to lose their homes and not be able to eat. How absolutely absurd.

The GST is simply replacing one tax with another tax very similar to those used by many of the most prosperous countries in the world, countries like West Germany, England, Scotland, Japan, Belgium, Denmark, France and on and on, including Sweden which has some of the most progressive social programs in the world.

I believe that our economy is in urgent need of repair and, unfortunately, the steps required to repair it are not going to be popular. One of these steps is to make sure that our business community will be competitive and one of the ways to do that is to have a competitive tax system similar to those of our competition.

I believe that it is not our God-given right to have one of the highest standards of living in the world, and that we can only have it if we earn it. I also believe that in the years to come it will be even more difficult to earn it because of the growing international competition.

Yes, we will have change and that will be bad enough, but let us keep it in perspective and avoid the hysterics.

* * *

REGIONAL DEVELOPMENT

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, as a member of the Official Opposition, I know my party is firmly committed to regional development. What I do not know is how committed this federal government is to regional development.

Last week the finance department of Prince Edward Island was informed of adjustments to equalization payments which would amount to a loss of $13.6 million, affecting the 1989-90 revenues. The provincial finance minister was informed of this loss on the last working day of the fiscal year, March 30, two weeks after he had tabled the provincial 1990-91 budget.

I urge this government to improve its contribution to regional development in Canada and not adjust its funding commitments at the last minute, causing increased economic difficulties to those already in need.

* * *

VETERANS AFFAIRS

Mr. John Manley (Ottawa South): Mr. Speaker, I wish to speak today concerning the cutbacks to veterans' programs contained in the February budget. I believe that the failure of the government to preserve the dignity of veterans is the greatest possible indictment of a government that has lost touch with the people.

I feel deeply about these cuts, in part because I have the honour of representing in this House the residents of the Rideau Veterans Home, but also I think because my father spent most of his adult life receiving a war veteran's disability allowance. DVA was one of the first acronyms that I learned in my civil service household.

We are often told that the deficit is a mortgage on our children's future. But can it be said that our children are really better off when we take nickels and dimes out of the pockets of the men and women who served in the armed forces in Canada's wars?

Most of the veterans are old, many are infirm and most, as my father would be if he were alive, are reluctant to make a fuss or to be seen to be begging.

On their behalf I urge the government to leave the veterans alone and restore the cuts to programs announced in the February budget.

* * *

WOMEN'S CENTRES

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, yesterday I met with the women from the St. John's Women's Centre in Newfoundland. That is the longest serving women's centre in this country and it is now in danger of closing because of this government. I have met with the women in Vancouver who have occupied the Secretary of State offices.

New Democrats are meeting with women from Quebec women's centres. We have spoken to women's centres in the Yukon, Alberta, and in Ontario. The message that we are getting from coast to coast to coast is this: women are angry at this government.

• (1410)

Compare that to this government giving $161 million to Boeing, compare it to spending $14 million to advertise the GST, compare it to an increase to CSIS of $33 million. We see increased military spending by this government. When you compare that to the $1.6 million to continue the women's centres is peanuts.

A total of 30 people now have criminal charges against them for protesting the cuts. Instead of arresting people and hiring extra security at the Secretary of State offices, instead of making the women of this country compete for a tiny little pool of project funding, reinstate the core funding. Reinstate it now.

S. O. 31

SOCIAL PROGRAMS

Mr. Peter L. McCreath (South Shore): Mr. Speaker, this month marks the first anniversary of the government's Labour Force Development Strategy, the biggest effort in many years to increase federal government's help to Canadian workers.

Soon we will be able to mark another anniversary, the one of the introduction to this House of Bill C-21. Since the bill first came to the House it has been much debated, widely reported and often misunderstood. Lost in the bafflegab has been the very nature of this bill.

Bill C-21 provides $350 million per year for training UI recipients, more money for training social assistance recipients, increased allowances for those taking training, a major increase in the Community Futures Program, more money for training and adjustment of older workers and added funds for the valuable industrial adjustment service.

It is time Bill C-21 was law. It is time for Canadians to receive the benefits of Bill C-21. It is time the arrogant Liberal hacks in the Senate respected democracy and allowed this bill to become law.

* * *

CHILLIWACK MUSIC FESTIVAL

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, on Saturday evening I had the pleasure of attending the final concert in Evergreen Hall. My spirits were uplifted by the beauty of the music and the beauty of what it represents. Indeed, there were individual winners but I believe that every competitor, every musician, was an equal winner. The dedication and commitment that these musicians reflect is encouraging to say the least.

A festival of this nature brings out the best that a community has to offer. It is a time of celebration. It is a time to celebrate the harmony that music brings to our personal lives, and indeed it is a time to celebrate the harmony that we bring to our community.

My congratulations to the Chilliwack Lions Clubs, to the organizers of and participants in the Chilliwack Music Festival for providing us with the opportunity to realize the harmony that exists in all of us in our community.

TRAINING PROGRAM

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, the world is changing. Waves of freedom are rippling through eastern Europe and Barrie is playing a part.

For the people of the Baltic republics to pursue their dreams they must have the right economic tools. That is where Barrie comes in. Two local landscaping businesses are breaking new ground.

Timberline Nurseries and Brookdale Treelands have obtained work visas for a group of seven Estonians whom they will be training over the next six months. This is a first. It means that seven individuals will bring home valuable skills that will make them not only entrepreneurs, but also pioneers in their new exciting market, and they will leave with a better understanding of Canada.

The government is responding to the challenge of change. We are working hard to help rebuild the economies of eastern Europe and we welcome the co-operation of Canadian small businesses.

* * *

WORLD CURLING CHAMPIONSHIP

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, on behalf of all Canadians I want to congratulate Ed Werenich on winning the world curling championship.

The people of Scarborough are especially proud of our long time fire department employee for bringing such honours to Canada. With steady shot making and the support of a talented rink, Ed defeated Scotland 3 to 1 in the final game. This is Ed's second world title and the second consecutive victory for Canada.

Congratulations to Ed Werenich and to his rink, John Kawaja, Ian Tetley and Pat Perroud. You have won a great victory for Canada.

Some Hon. Members: Hear, hear!

* * *

CANADIAN PATENTS AND DEVELOPMENT LTD.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, in the 1990 budget the minister announced that the crown corporation, Canadian Patents and Development Ltd. would be wound up and its functions dispersed into 14 government departments.

What the minister ignored was that other departments have said they do not want or need this additional burden. The minister received a submission that showed the cost of such a dispersal would be three times higher than the cost of letting CPDL handle the work.

How can the minister justify this costly action during times of budgetary restraint and so-called deficit reduction? CPDL has played and continues to play an invaluable role in the transfer of technology. It has generated economic benefits and direct revenue to Canada.

The dispersal of CPDL will erode the expertise it now provides and cost the Canadian taxpayers three times as much money for the same service. Obviously government fiscal mismanagement has found another target and the government has shown once again that dogma is more important than common sense.

ORAL QUESTION PERIOD

[*English*]

NATIONAL UNITY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister.

In Quebec City on Friday, it was reported that the Minister of the Environment said: "We can now imagine a scenario where English Canada will have to choose between Quebec and Newfoundland."

These were discouraging words for Canadians who, I am sure, believe that every federal cabinet minister has an obligation to speak in a way that shows that he or she believes that each and every part of this country is valuable and needed.

Is it the policy of the government that Canada should ever have to choose between these two provinces? Was the Minister of the Environment speaking for the government when he used the words he used in Quebec City last Friday?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think it would be helpful if the Leader of the Opposition quoted the Minister of the Environment fully. The Minister of the Environment went on to say,

and I am quoting him directly: "Nobody thinks Newfoundland should leave Confederation."

That is the position of the Government of Canada and all Canadians.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Prime Minister has not given a direct answer to my question as to what he has to say about the words that the Minister of the Environment in fact did use.

What constructive result does the Prime Minister think can come out of the special committee that began its work today on the proposals of Premier McKenna, if he allows his senior ministers to go around the country using the kind of language I have quoted as being used by the Minister of the Environment in Quebec City last Friday?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, if all the minister said was the quote that my hon. friend chose to use, then obviously my hon. friend would have questions to raise.

However, the Minister of the Environment said: "Nobody thinks Newfoundland should leave Confederation." That is a statement that should satisfy all members of the House, including the Leader of the Opposition.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a third question for the Prime Minister. According to a report today from Canadian Press, an American source involved in the preparations being made for the Canada-U.S. Summit stated that the U.S. President and the Prime Minister of Canada are to discuss the Canadian constitutional deadlock at their meeting this week.

I want to ask the Prime Minister whether this information is correct. If so, wouldn't it be better to discuss this domestic problem with the provincial Premiers and Canadian legislators here in Canada instead of discussing it with a foreign head of State?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend quoted an anonymous American source with reference to a meeting that will take place with the President of the United States. Canada's internal matters will be discussed with Canadians, not with others.

GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, last week the Prime Minister told Canadians that he would start a campaign to sell the GST. Why spend millions on advertising if the Prime Minister is so sure that once Canadians have a better understanding of the GST, they will certainly support it? Why not set an example to Canadians by allowing Tory members, who ought to have a good understanding of the GST, a free vote on Bill C-62?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, personally, I believe government members would not be here if they were not capable of listening to Canadians. Canadians also tell us a lot about the GST. Almost every day, several thousand Canadians ask us for explanations, because of the opposition. While you were in power, you brought the finances of this country to the brink. You have always been against everything we did to improve the situation. When we talk to Canadians quietly, as I did only yesterday, when I met people who had been upset by members who may have ulterior motives, other than Canada's economic interests, in fact I talked to them for five minutes, and they told me: We did not know that; thank you very much. I am sure that if we work very hard in the months to come, we will be able to reverse the situation.

• (1420)

[*English*]

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary question for the Prime Minister. The Prime Minister has said that this is a money bill so it becomes a question of confidence in the government for all members to your right, Mr. Speaker, to vote in support of the bill.

I want to ask the Prime Minister specifically whether that means that members of his caucus have by consensus supported the GST, or does it mean that the government is forcing the members of the government to support the GST?

Mr. Speaker: I have some grave doubt as to whether that is a question that goes to the administration of the government. I think it is out of order. The hon. member might find a different way to put it.

Mr. Young (Gloucester): Mr. Speaker, the question is a very simple question. The Prime Minister himself has said that this is a money bill and that it is a question of confidence in the government.

Is the Prime Minister allowing members of the government to vote according to their conscience or is he forcing a vote? It's a simple question.

Some Hon. Members: Order!

Some Hon. Members: Oh, oh!

Mr. Speaker: I think I must advise the hon. member that he is trespassing over the line.

The hon. member for Yukon.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the right hon. Prime Minister. Over the weekend and today thousands of Canadians have registered their anger and opposition to the goods and services tax. Today, outside on Parliament Hill we saw yet again working people expressing their opposition to the goods and services tax.

The Prime Minister says that this tax will be good for us. How can he be so right and 80 per cent of Canadians be so wrong? Isn't it time to listen to the voices and votes of Canadians, to stop abusing Parliament and his own back-benchers, and to have a free vote in the House of Commons on the goods and services tax?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, if the government were choosing to do the easy or popular thing, obviously we would not pursue the goods and services tax.

Mr. Boudria: You wouldn't be at 15 per cent in the polls.

Mr. Mulroney: My hon. friend from the Liberal Party, the hon. member for Glengarry—Prescott—Russell, says that they would not be at 50 per cent in the polls either.

Mr. Allmand: Fifteen per cent is where you are.

Mr. Mulroney: I remind him that I will let him be at 50 per cent in the polls now, and if we continue to do the right thing for Canada—not what is popular but what is right—we will be in first place on election night.

Some Hon. Members: Hear, hear!

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is directed to the Prime Minister.

I point out again that Canadians across the country from coast to coast to coast are registering their opposition to the goods and services tax because they know it is an unfair and an unjust tax. They are asking the Prime Minister and the government to listen to their voices.

I say again to the Prime Minister: Will he not listen to the voices of Canadians; will he not listen to the constituents of his members as well and have a free vote in the House of Commons?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend asks whether we have listened to the voices of Canadians. Yes, indeed, we have. We have listened and read very carefully the reports of five Royal commissions and task forces of the Government of Canada over some 40 years, recommending that the Parliament of Canada summon the courage to rid the nation of a pernicious and very unfair manufacturers' sales tax which kills jobs in Canada and imposes an undue penalty on Canadian producers.

We have listened and analyzed very carefully the objective data of five Royal commissions and important studies and we say in the interest of Canada get rid of this pernicious and unfair 13.5 per cent manufacturers' sales tax and substitute a 7 per cent goods and services tax.

We have listened. We are doing that, not because it is popular, and it is clearly not popular, but we are doing so because it is right for Canada. It must be done.

Some Hon. Members: Hear, hear!

Ms. Audrey McLaughlin (Yukon): My supplementary question is for the Prime Minister, Mr. Speaker.

Clearly the Prime Minister is saying that there will not be a voice for democracy in this House and a free vote on the goods and services tax.

[*Translation*]

The Prime Minister claims the GST is advanced. I find that surprising. The Prime Minister knows perfectly well that charitable organizations, for instance, work for the

public good and that they are indispensable. How can he say a tax is advanced if it taxes charitable organizations?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, the Leader of the New Democratic Party referred to a tax as not being very advanced and not very sensitive to social concerns. I may remind her that two socialist governments introduced that kind of tax in their own countries, so it can't be that bad.

We have had long and thorough consultations with charitable organizations, and would urge the Leader of the New Democratic Party to read the technical papers which explain that we have set in place a series of mechanisms so that these organizations will not be penalized far from it by this tax reform.

* * *

[*English*]

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

From what we have heard so far of the minister's aid package for the troubled Atlantic fishery, the government has decided to focus on getting people out of the fishery.

We see no specific evidence of any increased commitment to scientific evaluation and no new efforts to develop the under-utilized species and thereby remove the foreigners from our 200-mile zone.

Does the minister not think it would be wiser to be sure about the stocks and to be sure that we have fully developed all available species before we tell the people that they must give up their life's work and the traditions of all those communities dependent on the fishery?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Yes, Mr. Speaker, I agree.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I am glad the minister is going to put the emphasis on scientific evaluation and on the under-utilized species. I hope that when we do see the supposed package we will see that; that it will be seen that there needs to be a new mesh size for all sectors in the fishery, that there will be new scientific evaluations in the waters around Nova Scotia.

But for the 2,000 people who met in Digby under very extreme conditions on Saturday, it is not a solution to hear the minister say: "Yes, we agree". We want to see what you are going to do. We do not need money. We want to see that you are going to give a commitment to keep the jobs in the fishery.

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I am glad to hear, for the first time in several months, a Liberal member of Parliament asking the government not to throw money at the problem. I thank her for her recommendation.

What the government will do with the situation in the fishery in Atlantic Canada is to devise methods whereby we can assert the federal role in the fisheries and work in co-operation with the fishermen and the provinces to ensure that we can have a viable fishery, ensuring a good income for fishermen and plant workers.

• (1430)

We also want to continue what this government has been working on since 1984, that is, trying to diversify the economy of Atlantic Canada so that our kids in Atlantic Canada can have a bright future there. That is what we are working on.

I can advise the member that my meetings with fishermen, union representatives in Newfoundland and Nova Scotia, and the leaders of these provinces led me to conclude that we are on the right course. I will continue to listen to them so that I can have their input and develop something that may not be nice for grandstanding on the issue but that will be relevant to the needs of those people.

* * *

AIR SURVEILLANCE

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, in the absence of the Minister of Supply and Services, I will directed my question to the Prime Minister.

This weekend we learned of allegations that the request for proposals for the $28.5 million east coast air surveillance contract was deliberately written to exclude all other bidders except Atlantic Airways, a company that just happens to be represented by one of the Prime Minister's close pals, John Lundrigan.

How can the Prime Minister justify this apparent sole sourcing of a $30 million contract which brings into serious question the integrity of the entire public tendering process?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, last week I happened to be in Atlantic Canada, in St. John's, with my colleague, the Minister for International Trade, where we advised people in Atlantic Canada of what the Department of Fisheries and Oceans would be doing in terms of surveillance.

The Liberal Party may well be interested in trying to find mud in all of this, but the people down there know that twice as much surveillance will take place in Atlantic Canada by those aircraft. That is what the people were very, very happy with.

That this company in St. John's, Newfoundland had the new technologies to ensure that it could become a leader, not only in Canada but world-wide, should be applauded by the hon. member instead of trying to throw mud at it.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, the Liberal Party is not against additional surveillance, but the Liberal Party is certainly against the awarding of contracts based not on the merit of the proposal but on the political connection of the lobbyist.

Some Hon. Members: Oh, oh!

Mr. Speaker: I was very patient for the first question, but I am afraid we will have to move on.

* * *

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of the Environment.

Most Canadians are aware that the environmental record of this federal government is extremely poor, particularly on issues like the Oldman River dam and the Rafferty-Alameda.

Since the Minister of the Environment is fully aware that Quebec Hydro is proceeding with James Bay II, or the Great Whale Project as it is known, without federal approvals, why is the minister continuing to duck his responsibilities to put a panel in place which has a credible time frame to evaluate the impact upon the Inuit and the Cree, fish, migratory birds, caribou, whales, methane, and global warming, all those impacts that are clearly in federal jurisdiction, or will the studies be done after the dams are built as we saw in Saskatchewan and Alberta?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, if the member would at least read the newspapers, he would know that as a government we are dedicated to the environment, that we have rejected—

Some Hon. Members: Oh, oh!

Mr. Speaker: The question was put and the other side listened to the question. The minister is rising to answer it, and I would ask all hon. members to allow the minister to speak.

Mr. Bouchard (Lac-Saint-Jean): We announced last Friday that this government is rejecting the plan proposed by Quebec on the kind of joint assessment that Quebec would like to do. We said that Quebec's proposal does not respect the standards of efficiency and rigour that the federal government would like to have in this assessment.

We stated that we would present a counterproposal, probably this week, where we will state all of our requirements and try to reach a joint assessment with Quebec. If we are unable to reach an agreement on this, the federal government will proceed alone on a separate environmental assessment.

Mr. Jim Fulton (Skeena): Mr. Speaker, as the minister is aware, Quebec Hydro is busy selling the power from James Bay II, is busy building the roads and is busy clearing the land for the dam construction project for those five river valleys.

Could the minister be somewhat more specific in terms of time frame, in terms of information access and in terms of when exactly a federal panel will be composed? Canadians, and particularly Canadians in the province of Quebec, want to know when the panel is going to start its work. Is it going to be now when the terms of the project can be carefully defined and the information necessary to define such a project can be done before the project is well under way?

[*Translation*]

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, the federal government has very clear jurisdiction in the area of environmental impact assessment. This jurisdiction is not challenged—it cannot be challenged—particularly in the case of James Bay. However, we must admit that Quebec's position poses a problem, because Quebec would give the commission only about four months to do the environmental assessment. The federal government believes that the commission must be given the time it needs to do a proper assessment that will assure the people of Quebec and of

Canada that the James Bay project will have no negative impact. No one is in a position to lecture us on this subject. We are pursuing a national policy so that the requirements of the federal process are respected throughout the country—in the West, in central Canada, in Quebec and in the Maritimes.

* * *

[*English*]

WOMEN'S CENTRES

Ms. Mary Clancy (Halifax): Mr. Speaker, the Second Storey Women's Centre in Bridgewater has delayed its acceptance of project funding for two reasons: first, because those women do not want to be in competition for small amounts of money with all the other women's centres in the country and, second, because they still have a hope that this government might reinstate the $1.6 million in core funding.

Will the Secretary of State melt his and his colleagues' stony hearts, spend this small amount of money, and save all the women's centres in Canada?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I believe I was very clear when I said that core funding was discontinued for the women's centres.

I did indicate that there was increased project funding that was available. I have opened up the criteria so that certain admissible expenses, which were formerly only admitted under core funding, would now be considered under the project application.

I am waiting anxiously to make sure that any application that is received will receive expeditious treatment so that the money can flow. We are anxious to make sure that whatever funding we have available is made available to those who can carry on the very excellent work that they have had to do in the past.

Ms. Mary Clancy (Halifax): Mr. Speaker, one of the reasons that the women at Second Storey have some hope that the government might change its mind is that they met on Friday with the minister's colleague, the Minister responsible for the Status of Women. In Halifax she promised that she would lobby her cabinet colleagues, and in particular the Secretary of State, to meet with representatives of all of the women's centres affected so that they could be certain that they were not in competition with each other for every small amount of money in project funding and so that they could possibly convince the minister how crucial core funding is.

Although the Minister responsible for the Status of Women is not here, can the Secretary of State say today to the women of Canada that he will meet with the representatives from all these centres together and give them some hope?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I will be meeting with representatives of women's centres tomorrow.

Ms. Clancy: Together?

Mr. Weiner: I will be meeting again on Thursday with representatives of women's centres.

Ms. Clancy: But not together.

Mr. Weiner: As far as I am concerned, I am willing to talk. I would like to continue a dialogue. I would like to make sure that our program, which is available, is there to be effective in helping the women's centres to carry on with their work.

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FOOD BANKS

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, in the absence of the Minister of National Health and Welfare, my question is directed to the Prime Minister.

On February 14, the Minister of National Health and Welfare was asked to address the current economic crisis in which 1.4 million Canadians, including over one-half a million children, are forced to rely on food banks.

Today, as the Daily Bread Food Bank kicks off its Easter food drive, this government is still doing nothing to help the poor, the homeless, and the hungry.

What is this government doing to end the reliance on food banks? Why will it not take full responsibility for helping to feed the victims of its own economic mismanagement?

• (1440)

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, this is a very specific question with a very global approach. We are aware that all such prevailing situations are related to social, sociological, economic and political conditions. Our programs are designed to help all classes in society, of course including children, families and women. We are concerned about such issues as health, welfare and our participation as a government. The answer lies in the interest we show in all these programs.

[*English*]

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the only growth that this government has had is in the line ups at the food banks. The dependence on food banks has doubled in 1988.

Studies show that between the federal CAP cut-backs, the cruel changes to the UI eligibility formula, and the GST thousands of more Canadians will be forced into poverty. How can the minister justify her answer when she knows that this government's policies will directly increase the number of poor Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am happy to respond to my hon. friend who raises a very sensitive and important matter. Since the general question involves poverty, she will be the first to applaud the fact that since the swearing in of this government almost 800,000 Canadians have been removed from the poverty rolls in Canada.

In fact, since 1984 the number of children living below the poverty level has fallen by 259,000, compared to an increase of 283,000 between 1980 and 1984 when her party was in office.

Also, it is probably significant for my hon. friend to note that on Friday morning when Statistics Canada reported unemployment figures, the unemployment rate in Canada has now dropped to the lowest since August 1981. Since this government was sworn in, 1,587,000 more Canadians are working today than when we took over from the Liberals.

* * *

TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Prime Minister.

The Prime Minister will be aware at this point in time that there is overwhelming opposition to the GST throughout Canada due to the fact that Canadians perceive that the system is inherently unfair. They point to the fact that there were 93,000 profitable corporations that did not pay any tax in 1987.

Does the Prime Minister not recognize the blatant unfairness of this fact, that these corporations pay no corporate tax at all. Will he at least commit himself and his government to bringing in a minimum corporate tax?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, the hon. member and many colleagues in his party keep repeating this information which is wrong. There is no such thing as 93,000 profit making corporations that do not pay tax and we on this side of the House have changed that.

Due to measures taken during the crisis, a lot of loopholes were built into our fiscal system. We have removed them one by one, and now all large corporations pay taxes.

What he refers to are very often small farms and small businesses that have not been profitable for five years and frequently earn less than $25,000. Would the hon. gentleman want us to tax them and put them out of business? Frequently they are not taxed because they are in remote areas where there is a high level of unemployment. This is a good measure and, like the GST, it is a fair tax.

Yet again there is opposition because the member, instead of accepting his responsibility to help Canadians extricate themselves from a difficult financial situation, does everything he can to mislead the population.

Mr. John R. Rodriguez (Nickel Belt): I have a supplementary, Mr. Speaker, again to the Prime Minister. The minister who has just answered has suggested that we are not giving the figures correctly.

Some Hon. Members: Exactly!

Mr. Speaker: The hon. member will put his question.

Mr. Rodriguez: The figures that I have provided to the House are the figures from Statistics Canada as we requested them. It was a study that Statistics Canada did for the New Democratic Party in 1987.

The minister said that was before tax reform. In 1988, these were some of the small corporations: Xerox Canada, $74 million, no tax at all; Bramalea Corporation, $33 million, no tax at all; Brascan Corporation, there is a small one, $263 million and not a penny of tax. That is 1988, after tax reform.

In view of the fact that tax reform in 1988 has just created another tax holiday for all of these large corporations, not small corporations, not family businesses, large wealthy corporations, is the minister prepared now to make them pay their fair share—

Mr. Speaker: The hon. minister.

Hon. Gilles Loiselle (Minister of State (Finance)): The great trouble, Mr. Speaker, with the hon. gentleman is that he loves listening to himself. He should listen to me and to us as well.

Perhaps he was away, but I would like to welcome him to the 1990s. He is giving figures from 1987. He does not seem to be aware that we have a tax on assets. Any corporation, not with profits, but with assets of $10 million pays tax. We are collecting billions of dollars from them, but he fails to mention that. He claims again the old repetitions. Canadians understand that these reforms are there to help the economy of Canada and to create jobs. This is what we have been doing and will continue to do.

* * *

[*Translation*]

REFUGEE STATUS

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. It is hardly necessary for me to describe the panic and anxiety felt by many Canadians of Lebanese origin. Is the minister aware of charges made against the Immigration and Refugee Board that it is insensitive and indifferent with respect to people applying for refugee status here in Canada?

[*English*]

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, as the hon. member knows, the refugee board operates at arm's length from the government. Whereas we established the board, this is a judicial process set up under an arm's length arrangement with that board.

My understanding is that the board is functioning quite well. If there are problems, and if he has a particular allegation to bring to me, I would be happy to ensure that it gets looked into.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, I can assure the minister that I will be filing complaints with her office in a few days.

My question is directed to the Prime Minister. Do you not feel that time has come for the government to intervene in the case of refugees of Lebanese origin who are experiencing great hardships? They need understanding and compassion in such trying times.

An Hon. Member: Good question!

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, our government is highly sensitive to the situation of Lebanese people. Because of the on-going war, refugees go to Cyprus or Damascus and apply to come to Canada—

• (1450)

[*English*]

We have set extra people in Cyprus in order to be able to deal sympathetically and effectively with the Lebanese. We are working very hard on their behalf, and we will continue to do so.

* * *

GOODS AND SERVICES TAX

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, 80 per cent of Canadians are saying no to the government. The people are mad, angry and disappointed with the goods and services tax. Never in the history of Canada have so many people said no so many times to a government bill.

There are only two reasonable choices left for this government: either scrap the tax, or call an election. Which one will the government choose?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I would call an election, but I cannot out of fairness. They do not have a leader.

Mr. Gauthier: We beat you the last time, remember?

Mr. Marchi: That's what Joe said in 1979.

Mr. Mulroney: I just want to draw to the hon. member's attention comments made by Mr. Chrétien with regard to the manufacturers' sales tax and the commodity tax system. He stated: "It worries me that serious structural problems have been identified in the manufacturers' sales tax. To name just a few, in some cases its burden falls less heavily upon imported goods than upon domestic goods. It falls unevenly upon competing goods which are marketed at different trade levels. It does not currently permit a meaningful appeals system. These problem areas in the law cannot be tolerated indefinitely."

Then Mr. Chrétien said: "Before long, I will have to assess the merits of all opinions and make a decision on the best course to follow." That was on November 22, 1977.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, we are ready for an election when the government is ready for it.

We always acknowledged a need for reform in the tax system, but we never called on someone to hit the people on the head with a two by four. That is exactly what this particular tax does.

[*Translation*]

How can the government continue to ignore the workers, small businesses, seniors and low- and middle-income Canadians who have done all they could to get the government to listen to them? When will the government finally listen to Canadians and withdraw this unfair tax?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, given the demand that my friend makes, one would think that there would be a consistent approach from his political party.

Yet on March 7 in *The Globe and Mail* Mr. Martin is quoted as saying:

> —that he would scrap the 7 per cent tax if he becomes Prime Minister and "if it is humanly possible," but he refused to rule out some sort of consumption tax as an alternative.
>
> On Monday, Douglas Young, the Liberals' finance critic, also said the party would scrap the GST if it came into power, but he was unclear on an alternative.

Thirteen years later, after making the first speech, Mr. Chrétien said it would be irresponsible for the Liberals to decide now on scrapping the GST. "We cannot reasonably make a commitment that there will not be a consumption tax".

* * *

PETRO-CANADA

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is addressed to the Secretary of State for External Affairs.

A year and a half after the slaughter of 3,000 pro-democracy demonstrators in Burma, the military government has forcibly relocated hundreds of thousands of its citizens and imprisoned, tortured and even murdered many opposition leaders in preparation for phoney elections.

Petro-Canada, which has signed a $5 million contract with that government, says that none of this is of its concern. Is this the future of a privatized Petro-Canada? Will it prop up oppressive regimes, even those condemned by our government? Or will the government take action to end this arrangement, and do it now?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, if that were a practice of a privatized Petro-Canada, that is something that we will have to wait to see. If the accusation the hon. member makes applies to Petro-Canada, it applies to it in its capacity as an agency of the Crown. Therefore, the hon. member cannot be making that argument against the process of privatization.

As a matter of fact, and as the hon. member knows, the contract of which Petro-Canada International is a part is a strictly commercial operation in which it is operating with other companies in the private sector.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, we have heard the answer we were afraid to get, that profit comes before human rights. That is not a principle we applied in South Africa.

I ask the government to take action to make sure that our Crown corporation is not propping up a regime that kills its own citizens and would destroy free elections.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I can give the hon. member a categoric assurance that the Government of Canada and Crown corporations of the Government of Canada are not doing the things to which he has referred in his question.

There is a commercial operation involving Canadian companies, including Petro-Canada, with regard to explorations off-shore of the country now called Myanmar. To draw the conclusion that the hon. member draws is inaccurate and I think that even he would admit that he has overstated his case substantially in the House.

* * *

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, as you know, tomorrow it will be one month since the Federal Court handed down its decision on the Oldman dam. I wish to direct a question to the Minister of Transport and ask him why he and his colleague, the Minister of Fisheries and Oceans, are ignoring such court order, why they are not conducting an environmental assessment, and when will he and his colleague launch this environmental assessment on the Oldman dam?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, as my hon. friend will realize, the decision by the Federal Court of Appeal has some pretty far-reaching implications. We are studying the decision and examining various courses of action which will take into account the safety of the people in the area, the safety of the dam and of the structure. As soon as we have finalized our decision, we will make it public.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my supplementary question is directed to the Prime Minister. Does the Prime Minister realize that every day that goes by, the credibility of his government and of the Minister of the Environment is eroded by this kind of inaction?

Point of Order

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I would remind the hon. member that there would be even less credibility if we acted hastily and did not take all factors into account.

* * *

• (1500)

POINT OF ORDER

QUESTION PERIOD

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I rise on a point of order to ask your indulgence in explaining to the House certain decisions that you have taken during Question Period.

The members of this side of the House, the Official Opposition, have been trying for some time to put questions of relevance and urgency to the government. The difficulty we have, of course, is that the questions that were put today by the members for Gloucester and Dartmouth were similar in format to questions that were put last week to the minister answering for the government at that time, the Secretary of State for External Affairs.

I want to refer to *Hansard* of April 5, at page 10220. When asked if the government would allow a free vote, because that was the essence of the question, the Secretary of State for External Affairs answered:

> Mr. Speaker, according to what the Prime Minister said and in keeping with parliamentary tradition, budgetary or economic questions that are of prime importance, or questions on motions presented by the opposition on allotted days are always questions of confidence.

A question was put to the Prime Minister today asking whether or not he would allow a free vote on this question. In our view the question was quite in order. It was a question that was repeated from last week's Question Period. I am asking you, Mr. Speaker, to explain why you ruled it out of order today. That is the first point.

Mr. Speaker: Just a minute. The Speaker will always hear a point of order on a Speaker's ruling. First of all, I would like to review the "blues" and I am prepared to discuss it further.

The Speaker sometimes has to make an instantaneous call. I would like to look carefully at what was said. I can say that I felt the question was going beyond the simple

question: "Will there be a free vote or not". I felt it was getting into the relationship between the Prime Minister and members of his own caucus.

If I am in error, then I will not be the first Speaker that has been in error. The hon. member has another point.

Mr. Gauthier: Mr. Speaker, with regard to the question about surveillance, the member for Dartmouth was responding to an accusation made by the minister that, indeed, Liberals were against surveillance, which is a lie in itself, because we are not against surveillance. We are for surveillance. We want it improved.

The question asked by the member was: "Why is the government not willing to award the contract on merit, rather than to friends they know?"

The question was quite in order as far as I am concerned. I do not know why you ruled that out of order.

Mr. Speaker: Perhaps I can settle it right now. One could say that that is a marginal line, but it is getting awfully close to accusing improper dealing. There are different ways to put the same question. But the question clearly carries with it the innuendo that there is something improper going on.

Now if I have moved too quickly, I am indebted to the hon. member for bringing it to my attention.

STATEMENT PURSUANT TO S. O. 31

Mr. Peter Milliken (Kingston and the Islands): I rise on a point of order, Mr. Speaker.

Mr. Speaker: Not if it is going to be a challenge to the Chair.

Mr. Milliken: I would not challenge, Mr. Speaker.

Mr. Speaker: You might not, but that does not mean that the Chair is perfect.

Mr. Milliken: Mr. Speaker, Standing Order 18 provides:

> No Member shall speak disrespectfully of the Sovereign, nor of any of the Royal Family, nor of the Governor General or the person administering the Government of Canada; nor use offensive words against either House, or against any Member thereof.

Mr. Speaker, during statements by members pursuant to Standing Order 31, the hon. member for South Shore referred to certain members of the other place in terms that I believe were disrespectful.

I would ask that Your Honour review the "blues". He referred to them as, among other things, Liberal hacks. All hon. members know that the members of the other place, particularly those in the majority in the other place, are in fact very distinguished Canadians who have served their country for many years.

Some Hon. Members: Hear, hear!

Mr. Milliken: There was another adjective but I would not want to repeat that because it was even more disrespectful. I suggest that the three words together constitute disrespect for the other place contrary to Standing Order 18.

I hope Your Honour would review the words. If they are, in fact, improper words, I would ask Mr. Speaker to ask the hon. member to withdraw them. I am sorry he is not here. He left right after the statement so I have been unable to give notice of the point of order.

Mr. Speaker: The hon. member has undoubtedly had to take up other duties elsewhere. I will look at the "blues" to see whether the hon. member had crossed the magic line or not. I did not take it that the hon. member was being particularly respectful.

Mr. Milliken: No, he certainly was not.

QUESTION PERIOD

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise on a point of order to seek some guidance. At the beginning of my supplementary question this afternoon, basically I was responding to an allegation from the Minister of Fisheries and Oceans.

More importantly, I was not making an allegation. I was merely asking a question based on allegations that are in the public domain by way of a Canadian Press story that appeared in a number of newspapers over the weekend. I seek the guidance of the Speaker, and ask you to review the "blues" and at least privately, if not publicly, indicate whether or not I was in contravention of the rules.

Mr. Speaker: I thought I indicated to the hon. member's House leader that I will certainly do that. I do caution hon. members, though, that merely the repetition of something that might be in the newspaper does not necessarily remove it from the essence of an allegation that might have to be taken in another place.

I know the hon. member will bear with the Speaker. Sometimes it is a very fine call. I shall look at the matter and would be very pleased to discuss it with the hon. member. I certainly did not mean to improperly cut the hon. member off. The issue is quite legitimate. I was concerned about the way it was put.

ROUTINE PROCEEDINGS

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to table in both official languages a number of Order in Council appointments which have been made by the government. Pursuant to the provisions of Standing Order 110(1) these are deemed referred to the appropriate standing committees, a list of which is attached.

While I am on my feet, I move:

That the House do now proceed to Orders of the Day.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

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

(*Division No. 217*)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Lac-Saint-Jean)

Bourgault
Brightwell
Cadieux
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Darling
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
Jelinek
Kempling
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
McCreath
McKnight
Merrithew
Monteith
O'Kurley
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
Weiner
Assiniboia)
Worthy—130
Boyer
Browes
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Cooper
Corbett
Couture
DeBlois
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
James
Johnson
Koury
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Nicholson
Plamondon
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilson (Swift Current—Maple Creek—
Winegard

NAYS

Members

Allmand
Angus
Assad
Bellemare
Bevilacqua
Blondin
Butland
Callbeck
Catterall
Duhamel
Fisher
Fulton
Gardiner
Gray (Windsor West)
Guarnieri
Harvey (Edmonton East)
Althouse
Arseneault
Baker
Benjamin
Black
Boudria
Caccia
Campbell (South West Nova)
Clancy
Ferguson
Fontana
Gaffney
Gauthier
Grey (Beaver River)
Harb
Hopkins

Hovdebo	Hunter
Jordan	Karpoff
Keyes	Langan (Mission—Coquitlam)
Laporte	Lee
MacAulay	MacDonald (Dartmouth)
MacWilliam	Maheu
Manley	Marchi
McCurdy	McGuire
Mifflin	Milliken
Mills	Nault
Nunziata	Nystrom
Ouellet	Parker
Phinney	Pickard
Proud	Rideout
Robinson	Rocheleau
Rodriguez	Rompkey
Samson	Taylor
Vanclief	Volpe
Waddell	Young (Gloucester)—70

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

MEASURE TO AMEND

The House resumed from Tuesday, April 3, consideration of Bill C-62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, as reported (with amendments) from the Standing Committee on Finance; and on motions Nos. 1 to 11, 31 to 36, 39 to 55, 57 to 85 and 90 of Mr. Young (Gloucester) (p. 10156-8).

The Acting Speaker (Mr. Paproski): The hon. member for Skeena had the floor.

Mr. Jim Fulton (Skeena): Mr. Speaker, it is a pleasure to carry on the debate in opposing the goods and services tax. There are a few things I would like to put on the record for the interest of the viewing public and those on the government side who still have an IQ.

I look at one of the charts that is available, and it is worth noting that a working poor family with an income of $20,000 would pay 10 times more in taxes—$695 instead of $70—if the money is raised through the goods and services tax instead of through income tax whereas a wealthy family with an income of $100,000 will pay 40 per cent less through the goods and services tax than it would pay through income taxes.

I have just a couple of more points before going on to speak at greater length about why the government is 15 per cent and will continue to go down, and why the Liberals—even though they are fluctuating upward in popularity—will soon come plummeting down as well, as soon as they pick Mr. Chrétien as leader.

Mr. Duhamel: You hope.

Mr. Fulton: I certainly hope it is Mr. Chrétien who drags the Liberals down again.

• (1550)

Let us have a look at what Dr. Maslove, an economics professor here in Ottawa, had to say regarding the government's so-called tax reform since it took office. The effect of lower rates and other actions during the phase one of tax reform has been examined by Dr. Maslove of Carleton University. Using a Statistics Canada model to assess the effects of changes in the personal income tax system since 1984, Dr. Maslove has determined that the only real beneficiaries of tax reform are those whose annual incomes are under $10,000 or over $114,490. The federal government is losing over $30 billion annually as a result of tax shelters, special grants and incentives to business. It has been observed in this regard that, if the corporate sector's tax share had matched that of individual taxpayers in 1988, Canada would have enjoyed an $18.5 billion surplus instead of a $30 billion deficit.

What we see is a continuation of what the Liberals did when they were in office, only in a much more blatant form under the Conservatives. The Liberals always liked to funnel all of the special tax shelters and grants to certain corporations and to certain very wealthy people, but the Tories have really taken it to heart and are now directing the majority of tax breaks to the extremely wealthy and to those corporations which funnel lots of cash back to the government at election time.

Let us take a look at one of the big concerns that many Canadians have about a GST, that it is simply a wheel waiting to be spun by profligate Tories and Liberals. Denmark brought in a GST in 1967 at 10 per cent and, by 1990, it was up to 22 per cent. It has more than doubled. Ireland brought in a GST in 1972 at 16 per cent and now it is 25 per cent. Look at Great Britain, the idol of all Conservatives—Madam Thatcher and the poll tax. It brought it in at 10 per cent and now it is 15 per cent, a 50 per cent jump. Italy, in the same year, 1973, brought a tax in at 12 per cent and now it is 18 per cent. Again, that is a

50 per cent jump. The concern that Canadians have is a very real and justified one. That is, if the government plans to bring in a goods and services tax at 7 per cent, and then just as Michael Wilson did with the manufacturers' sales tax, it will take it from 9 per cent to 10 per cent and all the way up to 13.5 per cent.

As Dr. Maslove and other economists have found, the fact of the matter is that this punishes working Canadians the most. The wealthy get a 40 per cent tax break, and those earning less than $20,000 will be probably about the same, if not marginally worse off. The somewhat lukewarm battle put up by the Liberals over this legislation demonstrates what we heard from the Minister of Finance here in Ontario,that the Liberals are just waiting for their opportunity to collect the tax so they can take their cut. We know exactly where the Liberals are coming from. We have seen how few the number of speakers are that they put up, and heard how little they have had to say when they actually rose to their feet. We know in terms of the tax system that is in place, it is the same under the Liberal—

The Acting Speaker (Mr. Paproski): I regret to interrupt the hon. member, but his time has expired.

The hon. Parliamentary Secretary to the Minister of Finance on debate.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I am pleased to speak today in this debate on the goods and services tax. This debate has attracted much attention in the country, many comments pro and con and, above all, a lot of misinformation. What I want to emphasize today is the misinformation about the goods and services tax given to Canadians by various groups including, unfortunately, some members of this House.

Mr. Speaker, thank you for allowing me to speak although I am not dressed as the Standing Orders require, which the Leader of the Opposition pointed out last week, but I know he understands. With my arm in a cast, I have no choice.

Mr. Gauthier: The GST hurts.

Mr. Duhamel: Did a constituent do that to you?

Mr. Gauthier: No, it's the GST.

Mr. Vincent: You will allow me, Mr. Speaker, to quote several paragraphs from an article by Claude Piché in *La Presse* of Thursday, March 29, 1990, entitled: "The GST at a glance"

The first paragraph mentions how Canadians and the Minister of Finance are separated by a wall of misunderstanding.

I hope that most Canadians now know that we have a 13.5 per cent federal sales tax at the manufacturer's level.

Mr. Gauthier: You raised it four times.

Mr. Vincent: It is a 13.5 per cent tax collected at the manufacturing level. He gave the following example: "A furniture manufacturer sells a chair to a wholesaler for $100. The wholesaler pays $113.50, tax included. Assuming the wholesaler has a profit margin of 10 per cent, he sells the chair to the furniture store for $124.85. No tax is collected on this transaction. If the retailer takes a 10 per cent profit, he sells you the chair for $137.35. The federal tax does not appear on your bill, but you are paying it just the same because it is included in the selling price. That is the present system.

This tax raises $18 billion annually for Ottawa. Mr. Wilson's proposal consists in abolishing this tax and replacing it with the GST". This means getting rid of the present 13.5 per cent tax and replacing it with a tax on goods and services that will be 7 per cent across the board. In the end, the consumer will pay only 7 per cent on what he purchases and not the present 13.5 per cent manufacturer's tax.

He repeated the same example with the new tax, and I quote: "The new 7 per cent tax will apply at all stages of production and distribution. Consider our example. The manufacturer sells the chair to the wholesaler for $100. The wholesaler pays $7 in tax. He does not add the $7 to his cost, since Ottawa will refund the tax when he sells the chair. The wholesaler adds his 10 per cent profit, sells the chair to the furniture dealer for $110 and claims his $7 refund from Ottawa. The dealer will pay $7.70 in GST. After adding his profit margin, he sells you the chair for $121 and claims a refund of $7.70 from the government. You, the consumer will pay 7 per cent tax,

which works out to $8.47, on the selling price. You cannot claim a refund. The chair costs you $129.47, and that is the system being proposed by Mr. Wilson".

Mr. Speaker, according to this example, with today's tax of 13.5 per cent the chair costs $137.35, but under the system that will be in effect as of January 1, 1991, the chair will cost $129.47, which means that thanks to the tax change, it will be cheaper in 1991 than it is today.

And on he goes, Mr. Speaker, referring to the GST:

"The GST is regressive in the sense that it is harder on low income people. Both the man on social welfare and the millionnaire will pay the $7 tax on a $100 chair. Had Mr. Wilson not done anything to correct that the TPS would be unfair and scandalous.

But the minister did provide for compensation to offset the GST impact on poor households through tax credits geared to income, family status and number of children. These credits will be paid by cheques on a quarterly basis."

Then he gives examples. This is important, Mr. Speaker, because it is the basic argument in the GST issue. It says here, and I agree: It would be a regressive tax if there were no tax credits. But, as it happens, there are major tax credits. He gives one example: "A retired widow with a $12,000 income will get a $290 tax credit. She would have to spend at least $4,000 on goods and services (other than rent and food)—", and drugs. She would have to spend $4,000 a year to cancel the value of her tax credit, or not to end up a loser "—to cancel the value of that credit. That is highly unlikely."

• (1600)

Again, Mr. Speaker, I quote the article. "A single-parent family made up of a child and a young woman earning a net income of $16,000 will get a $480 credit, or almost $10 a week. To annul the credit the household would have to spend something like $140 a week on taxable goods and services." Again, on goods and services, other than rent, food and drugs. A single parent family earning $16,000 a year would therefore have to spend a $140 a week, on something other than non-taxable basic items to, cancel the value of the credit received.

The article continues: "Finally, a couple with two children with a combined net income of $25,000 will receive a credit of $580.

These examples do not take into account the current sales tax which all these consumers are unknowingly already paying and which will disappear following the reform. Clearly, these households will certainly "make money" out of the GST." Mr. Speaker, it is written right here: Clearly, these households will certainly make money out of the GST.

I continue: "As a matter of fact, if your family income is less than $30,000, you are among the winners. If it is more, you are among the loosers, because you will not be entitled to the tax credit, although you will have to pay the GST just the same."

Because I now realize that my time is coming to an end, Mr. Speaker, I wish to conclude by saying that the GST is good for the Canadian economy and good for Canadian exporters and importers. It is also good for Canadians whose income is less than $30,000 and who, as I said, will come out winners with this new tax to replace the 66 year old 13.5 per cent federal sales tax.

[*English*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, let's not kid ourselves about what is happening here. The GST is a tax on consumption. It means that every time you buy anything, you, the individual Canadian consumer, are going to pay more.

[*Translation*]

Because it is regressive, it will hurt most low and middle income families who can the least afford to pay it. It is a tax which goes against all the promises which this Government has made in terms of tax fairness and which forces all low and midde income Canadians to shoulder the most unfair tax burden in our history.

[*English*]

It is nothing more than the Canadian version of Margaret Thatcher's new poll tax. Why are they rioting in Britain? Why are they saying: "Axe the poll tax"? It is because it is an unfair tax.

I am not suggesting violence as we have seen in the United Kingdom, but Canadians have a right to be outraged. Canadians are upset about the GST for the same reasons Britons are upset about the poll tax—it is an unfair tax.

[*Translation*]

Mr. Speaker, over 80 per cent of Canadians are against this tax. Canadians, by the hundreds of thousands, have signed petitions, sent letters and protested against this tax, just as they did again today on the Hill.

[*English*]

Canadians realize it is going to be a massive change, not only in the way we are taxed but on what we pay federal taxes.

As my colleague from Ottawa South has pointed out, corporations as such will no longer pay a federal sales tax, but people will. It is the biggest corporate tax grab in history, and nobody but the Minister of Finance thinks companies will pass all their savings from this on to consumers before applying the new goods and services tax.

The GST is a tax on just about everything—all goods, all services, with very limited exceptions. Let us look at a typical day under the new tax regime.

Picture this. You wake up, shut off your new alarm clock, a clock for which you paid 7 per cent more. You brush your teeth with toothpaste and a brush for which you paid 7 per cent more. You use soap, 7 per cent more; towel, 7 per cent more; dress children for school, 7 per cent more for shirts, shoes, socks, dresses; hand them their school books, 7 per cent more for the books; get into the car, 7 per cent more for the car; flat tire on the way to work, 7 per cent more for repairs; park the car, 7 per cent more for parking; at work, have a coffee break, 7 per cent more; have lunch, pick up a sandwich, 7 per cent more, bowl of soup, 7 per cent more, cup of tea, 7 per cent more, dessert, 7 per cent more; drive home, stop for gas, 7 per cent more; stop at the hardware store for a can of paint for the children's room, 7 per cent more; a paint brush, 7 per cent more; stop for a haircut, 7 per cent more; pick up a hockey stick, a baseball bat or a doll for one of the kids, 7 per cent more; pick up a pizza or other take-out food for a quick dinner for you and your family, 7 per cent more; after dinner, sit down to write your cheques for utility bills, the gas bill, 7 per cent more, the electricity bill, 7 per cent more, send the cheque to the lawyer who did the legal work for the purchase of your new house, 7 per cent more for the fees, and that is in addition to the 7 per cent more you paid for the house and you are still waiting for the rebate cheque from the government for half of it. Call a plumber to fix the leak in the bathroom sink, 7 per cent more; sit in your new chair that cost you 7 per cent more; walk across your new rug, 7 per cent more; read a book, 7 per cent more; have a midnight snack, 7 per cent more.

And if all of this is too much for a taxpayer who drops dead, that will cost the taxpayer 7 per cent more, as well, because this tax even applies to funerals—even they are 7 per cent more.

The only way Canadians can avoid paying the tax is to stop eating anything which is not defined as basic groceries by the bureaucrats at the Department of Finance, and that is not very much; do not buy any more clothes or shoes; unplug the phone; unplug the TV; unplug the fridge; turn off all the lights; shut off the electricity; turn off the furnace; sit in the basement; and, above all, do not die.

Every time a Canadian pays this goods and services tax he or she is going to be thinking about how this tax came to be and who imposed it.

[*Translation*]

Canadians will remember the dishonest way the government tried to bring in this tax. They will remember that the Minister of Finance himself said that this new tax would not cost more than the old one. Before the election, he said that it would be revenue-neutral. After the election, it became a money-maker for the treasury.

[*English*]

Just last Friday in the House the Minister of State for Finance admitted that the new tax had always been intended to be an integral part of deficit reduction. Despite that fact, the Minister of Finance has been telling everybody it was and is revenue neutral. It cannot be both. It just cannot be. No wonder Canadians do not believe anything the government says about the goods and services tax.

[*Translation*]

Mr. Speaker, before the election, the minister said that the tax would be visible. After the election, he admitted that he could not force retailers to show it on their bills.

[*English*]

Before the election the minister said such a tax would be unworkable without provincial involvement. But so far not a single province agrees with this tax. So far not a single province has joined him in opposing it.

Did that stop the minister? It did not even slow him down. Now he is bringing in the tax, without provincial co-operation, even though he said that without it the tax was "unworkable".

Before the election he said the tax would be simple. After the election he still says that, but nobody outside his office believes him because nobody outside his office can figure out why a tax that is supposedly simple needs multimillion-dollar ad campaigns to explain it and why it needs an army of 4,000 new tax police to collect it. It is no wonder the head of the Canadian Federation of Independent Business calls it a compliance nightmare.

• (1610)

Before the election the minister said the tax would not be inflationary. After the election he said it will cause an increase of only 1.25 per cent in the cost of living. But most observers say it will be much higher.

Nobody but the minister believes this new tax will not cause a huge increase in the rate of inflation, as well as higher interest rates and higher unemployment.

The government can still withdraw this tax, and it should do that. But, Mr. Speaker, I say to the government if you do not, Canadians are not only going to remember the Prime Minister and the Minister of Finance who imposed it, they are also going to remember that they could not have done it without the support of the back-bench Conservative MPs.

Every time they pay this tax those Canadians with Conservative MPs are going to ask themselves: "Did my Conservative MP stand up and say "no" to the GST? Did my Conservative MP stand up for me?"

I want to tell the Conservative members sitting behind the ministers that now is your chance to join with more than 80 per cent of Canadians, and at least two of your colleagues, and say "no" to this unfair tax. Because of the size of the Conservative majority you, the Conservative MPs, are the only ones now who can make sure that this tax is stopped here in this House. You are the only ones who can save your constituents from this massive and unfair new tax burden.

Mr. Speaker, I will tell the Conservative MPs something right now. If you do not stand up and save your constituents, your constituents are not going to stand up and save you.

The recent finance committee hearings on this bill did not produce one single new reason why this tax should be imposed. In fact we heard nothing but reasons why the tax should not be imposed.

It is still the same unfair tax proposal. For most Canadians, the GST is still the gouge and screw tax, the grief and suffering tax. For most Canadians GST still stands for "God save the taxpayer". If it passes, they will say: "God help the taxpayer". The Conservatives will need all the help they can get. Indeed, they will not get very much.

I say to all the Conservative back-benchers, the fate of this tax in this House is in your hands. I urge you, Canadians urge you, to join with us and defeat this tax. Listen to what Canadians are saying. Listen to what your constituents are saying. The message is coming in loud and clear from one end of this country to the other.

Conservative MPs, use your vote today and tomorrow to defeat this tax. Strike a blow for fair taxation and say "no" to the GST. Liberals have already said and are continuing to say "no" to the GST.

We ask the Conservative back-benchers to join with us to say "no" to the GST and "yes" to fair taxation for all Canadians.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, after listening to the Leader of the Opposition I can understand why there is so much indecision on their part in relation to the GST.

Mr. Keyes: Indecision?

Mr. Thompson: If you look at exactly what he said there is not an ounce of truth in any of his statements made today in this House.

An Hon. Member: Nonsense!

Mr. Thompson: Mr. Speaker, he went over a list of goods that he claims are going to be taxed under our new GST which is coming in. We are going to support it. What he fails to point out obviously is that there is a hidden 13.5 per cent federal sales tax on each and every one of those goods that he mentioned in his speech. The hon. member has been around this House a lot longer

than you, Mr. Speaker, and a lot longer than I. He more than anyone else should know better than to say that to the Canadian people.

Throughout this debate on the GST the opposition has not scored any points with the people back home. The people back home have a fair sense of what is going on, and a sense of fair play. When someone like that can get up in the House of Commons and rattle on in that fashion without coming clean on the goods and services tax, it tells you something about that party and what its members want to do to this country.

That party, if you remember 1979, is the same party that led us down the garden path in relation to the price of gasoline. We had a government in 1979 and a finance minister, Mr. Crosbie, that were prepared to come to grips with certain realities in this country. One of them was simply that if we as Canadians want services and programs from government, we must be willing to pay for them.

In 1979, Mr. Crosbie rose in this House and presented his budget, a budget that would have raised gas 18 cents a gallon, bringing the price up to $1.17 a gallon. That was a budget that the then finance minister claimed to be a budget of short-term pain for long-term gain, but members of the opposition of this House chose to defeat it. In defeating it they defeated the best opportunity that this country has had since Confederation to come to grips with reality.

Now opposition members want to do the same thing with the goods and services tax. But there is one element that these characters are missing this time. They are missing the number of votes required to defeat it, thank goodness.

When we took office in 1984, after having lived through those Trudeau years from 1979 to 1984, we inherited a $200 billion debt. I challenge anyone on the opposition side of this House to dispute that figure. It is there; it is recorded. You can look at it yourselves. It is undeniable.

We have been in power almost six years. On that $200 billion debt, with an 11 per cent interest rate, on average, we have paid interest charges of $132 billion on the debt that the Liberals gave us.

When they left office they bragged. Some of the former cabinet ministers in that Trudeau government bragged that when Brian Mulroney took office there was no way, no way possible that that guy or his party could get re-elected. They said: "We left the cupboard bare. There is no money. There is no room for you people to manoeuvre".

But we have manoeuvred. We have done the things that are right for this country, and we are going to continue to do the things that are right for this country.

I have something to tell the Leader of the Opposition. The members on our side of the House are going to support this tax bill, and we are going to support it for a very good reason. I do not want to mortgage my children or my grandchildren to pay off the debt that we have incurred in this country. We can come to grips with it today or we can come to grips with it tomorrow. But I prefer to face reality square in the face because that is what the people back home put me here for.

In 1986, our government tabled a White Paper on tax reform in this House of Commons. That White Paper, laid before the Canadian people was the goods and services tax, among other things.

In the 1988 election every member of this House, every candidate that ran in that election knew what was coming. The goods and services tax was clearly on the table. It was an issue and part of our platform in 1988.

• (1620)

I ran on that issue, as I did on other issues, and so did the member for Calgary Northeast, as well as the member for Edmonton Southeast, the Kindy and Kilgour act. Those characters knew the goods and services tax were coming. They knew it very clearly.

Do you know what that same member for Edmonton Southeast did in 1986 and 1987, Mr. Speaker? He sneaked out of the Conservative caucus because we were not high in the polls. Do you know what he is doing now, Mr. Speaker? He is doing the same thing. He came crawling back in 1988 when Brian Mulroney brought this party back up in the polls. He made sure he was on board—

The Acting Speaker (Mr. Paproski): I would ask the hon. member to refer to other hon. members by their titles or by their ridings.

Mr. Thompson: Mr. Speaker, I am more than willing to live by that ruling.

The point I am making is clearly this. Those same members ran for this party in 1988, knowing that this legislation was coming. They could live with the results of that 1988 election, but they cannot live with reality.

I am going to tell you, Mr. Speaker, that this party is going to come back in the polls in 1992 and 1993. I will tell you that when we do, those two characters are going to be on the outside looking in because I don't want them on my side.

I can go back home in my riding and be a popular guy if I want to be against the goods and services tax, but the people voted me here to stand up for what I believe in. I believe that this goods and services tax is good for our country.

The present tax is a silent killer of jobs. It discriminates against home grown products, home manufactured products. I could draw many examples right in my riding where we are discriminated against because of the present federal sales tax.

Since 1935, we have had five Royal commissions report in this country. We designated five Royal commissions to investigate taxation. Each and every one of those suggested that the federal sales tax must go, that it is not a fair tax and it has to be replaced.

Mr. Keyes: Agreed.

Mr. Thompson: I am glad to hear that because the Liberals do agree with us. We have come up with an alternative, one that every single country in the world has moved to. We are the last country in the world to bite the bullet on the FST. The goods and services tax is good for this country. We are going to bring it in. If we have two members here that do not want to support us, it is their fault and they will suffer the consequences.

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

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the hon. member for Carleton—Charlotte does not seem to realize why his party is so low in the polls. He would have perhaps done himself and his party a favour if he had analyzed a little why the Progressive Conservative Party is so low in the polls these days.

The hon. member for Carleton—Charlotte does not seem to be aware of an important fact, namely, that his party since it took power in November, 1984, has increased the federal sales tax by 50 per cent. It was 9 per cent then. It is now at 13.5 per cent.

Mr. Thompson: You left the cupboard bare in 1984. You gave us no choice.

Mr. Caccia: Finally, the hon. member for Carleton—Charlotte does not seem to realize—

Mr. Thompson: I better leave the Chamber, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. member for Davenport has the floor.

Mr. Caccia: Finally, Mr. Speaker, the hon. member for Carleton—Charlotte does not realize how often his speech today will be quoted by his Liberal opponent in the next election.

The fact of the matter is that Canadians are very upset. They oppose the thought of another tax. They have seen, since 1984, an increase in the federal sales tax. They have seen this tax go up from 9 per cent to 10 per cent, and then from 11 per cent to 12 per cent, and from 13 per cent to 13.5 per cent—an increase of 50 per cent.

Canadians know that this type of tax is unfair. They know that it applies the same whether you are rich or poor. In other words, it is a regressive kind of tax.

This is, of course, an ideological point that escapes the mind of the average Conservative politician who insists on using a sales tax as an instrument for raising funds, no matter how it applies.

Canadians, I would submit, want fairness in the tax system. They would like now, at last, to see a tax system that also introduces a degree of discipline in our behaviour in the environment. The sales tax as proposed by this government ignores the environment completely. Actually, it does a disservice to the environment.

On the one hand, it reduces the tax on cars, as has been announced, obviously by virtue of the nature of the general sales tax. But, on the other hand—and now I am quoting two extremes—it should not tax any equipment, any service or any type of initiative that is energy efficient, that is efficient in the use of water and of our natural resources. It applies the same sledge-hammer on everything, without any consideration for the environ-

ment to which this government has committed itself on a variety of occasions and, extensively so, by way of the notion of sustainable development.

The government may want to know, rather than being criticized, what the alternatives are that it should have considered, and which it can still consider.

There is a substantial body of work that has been carried out in developing some kind of a carbon tax, a taxation of fuels, a taxation that would be dependent on the amount of carbon dioxide that is released when consumed. It has been developed quite extensively by an organization whose name is the Quebec Union for Conservation of Nature in Charlesbourg.

This tax would be calculated on the basis of $130 per tonne of oil equivalent. Such a tax could generate up to $17.2 billion in revenue. It would even reduce the number of officials in charge of collecting it. This tax would encourage, as a result, fuel efficiency in all industrial applications. It would improve our economic competitiveness. It would lead to higher productivity and a better ability on our side to be effective on world markets.

If that taxation measure is not adequate or interesting enough, the Minister of Finance—and I am glad to see his junior colleague in the House today—could have a good conversation with Professor Rees at the University of British Columbia. Here we see the development of an entropy taxation. Professor Rees argues that instead of subsidies to hydrocarbons, Canada should place a tax on fossil fuels on the economically sound ground that atmospheric capacity to absorb carbon dioxide is a scarce resource for which the consumer should pay.

Of course, this type of tax should vary for different fossil fuels, depending on the carbon content per unit of energy. It would be twice as much for coal as for natural gas. Such a tax would then have the effect of lowering the consumption of hydrocarbons, encourage conservation, reduce carbon dioxide pollution and increase considerably our over all energy efficiency.

• (1630)

If the minister is not satisfied with home grown suggestions for an eco-tax reform, we invite him to look across the Atlantic to Europe, with which he is very familiar as we all know, at the University of Cologne in the Federal Republic of Germany. Policies have been developed there for a green tax reform which include a carbon tax proposal, taxes on throwaway packaging, taxes on junk mail, and taxes on water consumption. The estimate is that a package of green taxes would produce revenues over the long term of well over $100 billion at the current rate of exchange. I am sure, if the Minister of Finance had a chance to read these papers, he would be tempted to withdraw his GST proposal and go the eco-tax route.

One has inevitably in this debate to raise the question of *The Green Plan* because it is relevant in its economic instruments chapter to this debate. We find an absence of ideas as to what could be the economic instruments and the taxation instruments for this government if it wants to pursue economic goals.

Unlike other sections of the Green Paper where questions are asked, there is no question asked in the economic investment and instruments section. However, it does ask some earth-shaking questions such as: Should the government emphasize compliance or enforcement in general terms? The paper does ask how regulatory procedures can be clarified and streamlined in general terms.

When we come to economic instruments, I must say to the Minister of State for Finance that his colleague, the Minister of the Environment, needs help very badly and very urgently because this process that has been launched by virtue of this discussion on the environment is so weak on the economic side that it makes you weep in despair.

What can we say at this stage of the debate? We can only repeat that Canadians have seen over the last six years a 50 per cent increase in the federal sales tax. They know that it is an unfair instrument. They know that there are alternatives which would be desirable both in terms of fairness and in terms of progress to be made in the environment.

Therefore we have to conclude that this entire exercise is anachronistic. The government has missed the boat with this kind of approach. Not only that, but it has done itself irreparable harm politically as reflected in the polls every month.

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, today, as on many recent days, members of this House have the opportunity to debate the GST bill and, through

that debate, bring improvements to this important legislation.

Unfortunately today, as on many recent days, members of the opposition are wasting their time and the time of this House on a carnival side-show designed to demonstrate to Canadians that they are against the GST.

This spectacle of delay and obstruction is telling us other things as well. It is telling all Canadians that the NDP and Liberal Party have again found the basis for a partnership in futility and waste. It is telling Canadians that some members of Parliament will sacrifice not just time, money and their personal dignity in search of a few seconds of TV news, they are also willing to sacrifice the parliamentary process itself.

There are clear rules designed to allow members of Parliament to do our work. Along with our obligations as members of Parliament we receive certain privileges and entitlements. Among those privileges is the ability to slow down the process when there is reason to believe that a government is exceeding its authority or acting in haste. However, the opposition is making a tragic mistake if it believes that Canadians want them to damage or destroy the parliamentary system itself.

Over time the parliamentary system of government has evolved to become the instrument through which the people of this country govern this country; nothing more, nothing less. This is where things get done. The government has a responsibility to govern, but what are the responsibilities of the opposition? Short of forming a government themselves, how do they measure achievement? How do they justify their existence? What are their responsibilities?

Over the past few weeks we have seen a curious fate overtake members of the opposition who have carried their opposition to the GST bill beyond the limits of reason, if not the limits of parliamentary procedure.

Their systematic refusal to deal with the GST bill on its merits has serious consequences for the people they were elected to represent and for the process of parliamentary government itself. Their obstruction may have started life as a sincere attempt to show their opposition, but as the days and weeks rolled by it became more and more clear that they were not refusing to speak out because of their opposition to the GST but because, quite literally, they had nothing to say.

Time and again we have challenged members of the opposition to present us with clear alternatives to a national tax on goods and services. Time and again they have failed to respond.

The concept of a Canadian goods and services tax has been discussed for several years. In more recent months the GST has passed through various stages by which the ideas mature and develop to become legislation and the law of the land.

It is interesting to note that as Bill C-62 has assumed a more definitive shape in reality the members who oppose this legislation have become less interested in the details of its operation. As various groups—and we have heard hundreds—have focused on its implementation and its impacts, members of the opposition have devoted more of their attention to obstructing the process by which work gets done in this House and in its committees.

The fate which has overtaken these opposition members is irrelevancy. In a very real sense they have taken it upon themselves to serve as road-blocks and obstacles at a time when their constituents need their intelligence and reasoning abilities the most.

By now it should seem clear to even the most sincere opponents of GST that this government has committed itself to a course of action which it believes is right. So far we have not heard arguments that would turn us from this course.

By now it should be clear that this government knows how to listen to groups and individuals who come forward with sound and reasonable advice. Much of this advice is now incorporated in this bill. The finance committee, of which I am member, travelled across this country and heard from groups and individuals from every province and territory in Canada. Over 300 individuals and groups of witnesses read over 1,000 representations to the finance committee on the GST. This all-party finance committee recommended 70 amendments to this bill after listening to Canadians across the country who want to deal constructively with the GST.

The opposition in refusing to deal with this legislation on its merits exclude itself from improving it. By stubborn, blind, across the board antagonism, the opposition

is turning its back on reality and is turning its back on the people it represents.

The people do not elect members of Parliament to create confusion. They do not vote for ignorance. They do not vote for delays, obstruction and waste. They vote for leadership. If the opposition wants to give us the monopoly on leadership, then we have no choice but to accept.

One of the few pleasures of opposition is the ability to ignore reality. There is nothing quite as intoxicating as the ability to build a better future by breaking every rule of arithmetic, logic and common sense.

However the great concern of government is economic reality. Look at free trade. Look at the privatization of Crown corporations. Look at the improved management of government spending. These are all controversial issues. They attracted a great deal of opposition but they all got done.

• (1640)

Let us suppose for a moment that this government took the same all for nothing attitude that the opposition demonstrates. Under those circumstances it is quite possible that the measures I have just mentioned and the GST itself would be vastly different from what they are today. This government does listen to Canadians; we listen to all Canadians. When it comes time to take action we act and we act decisively.

Bill C–62 the GST bill is no different. It has changed over time as this government received the benefit of advice from every region and every sector of this country. This legislation is better because Canadians responded on its merits. They did not dream of a world where corporations can somehow pay taxes without raising prices to consumers. They did not dream of a world where personal income taxes can be increased year after year with no impact on the economy. They responded with realistic and practical solutions to the challenge we place before them.

We on the finance committee, all parliamentarians, should be grateful for the people who took the time to appear before the finance committee, people from all across Canada with constructive advice to criticize the bill in some cases but to improve it, to discuss it on its merits, not just to be wasteful and obstructionist like the opposition MPs in the House.

Here we are again today. This is the debate on report stage. Time is running short and soon time will run out. This government knows what it is doing. We have a list of objectives. We are here. We want to get the deficit under control. That is why we have acted to bring government expenditures under control and have introduced the GST bill, Bill C–62.

We want to build an economy that can fight and win against international competition. That is why we negotiated the free trade agreement and introduced Bill C–62. We want a fair tax system. That is why we reformed the corporate and personal income tax system, and that is why we introduced Bill C–62. A great deal of work remains to be done. There is still time for opposition members to abandoned their ill–conceived and foolish struggle and get down to some real work.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, as usual, we are speaking to time allocation or closure, one or the other. The Canadian people have suggested to this government that the time allocated is about two years and a couple of months perhaps. Closure is fast approaching; at the end of that time period the Canadian people will invoke closure against the government.

I appreciated the remarks of the member for Windsor West who spoke of a day in the life of an ordinary Canadian, but I am sure Canadians are wondering about the Liberals since their leadership candidates, the leading contenders, are not quite sure whether they would keep the GST in place. I want to tell the Canadian people that the New Democrats are really the only party that is opposed to this GST.

I do not want to mislead Canadians as did the member for Windsor West. Not all of those products will include the 7 per cent because the MST will be abolished. Nevertheless, when young couples in Canada turn on the lights and their radios in the morning, it will cost an extra 7 per cent. God forbid they should go get an Egg McMuffin, because that is going to cost an extra 7 per cent. Home renovations is an $11 billion business in this country, but now that will cost an extra 7 per cent. That is going to discourage many young Canadians from proceeding.

It has been indicated to us that prices of cars will go down. I do not think Canadians are going to believe that until they see it, and we are not sure if they will see it. Nevertheless, they may have to make the decision to repaint their car, but that is going to cost an extra 7 per cent too. When they go home and turn on their television set, the cable service is going to cost an extra 7 per

cent. If they go out for a pizza as a special treat for the family, that is going to be an extra 7 per cent. They should have bought it at the grocery store. That points to the inconsistency of this GST.

It is bowling night, a nice recreation for young Canadian families,and older Canadians as well, but it is going to cost an extra 7 per cent. The bowlers say that the government struck out on this one.

Dad takes kids to hockey. Hockey equipment is going to be taxed by 7 per cent. Mom or dad takes daughter to piano lessons. It is going to cost an extra 7 per cent. Every young child likes milk and cookies at night. This government is going to change that, it is going to have to be milk and crackers because this government is going to tax cookies, believe it or not.

There is an old saying that you cannot avoid death and taxes. Well, this government has ensured that you cannot even avoid taxes upon death because funeral services will be taxed 7 per cent. You just cannot avoid the land of 7 per cent. We know that this government will soon make it the land of 8 per cent and 9 per cent. Where, in fact, will it stop? I do not know. I cannot begin to suggest when it will stop and I am sure Canadians are wondering.

This government is not listening to people. I want to take this opportunity to voice some of the concerns of the individuals in my community of Sault Ste Marie. I have received 18,000 signatures from people who have signed petitions through the small business group in Sault Ste. Marie. I did not want to bring them down here because they would pile up both desks. One thousand bowlers sent in cards. I have 500 petitions that I cannot table because they are not in the appropriate form.

Nevertheless, Mr. Paquin of Sault Ste. Marie took it upon himself to go out there and collect petitions and Pat Lacelle from Wiber Street, Carmen Briglio from Parliament Street, Peter Charette from Lake Street and Jim Belleau from Echo Bay, Ontario, signed these petitions on their own. These were unsolicited petitions saying: "Please, no GST".

What did the bowlers say? Well, they are concerned about recreation but Ruth-Ann Huckson said: "Have some mercy". Rose Rizzo said: "A person can't even have a good time without (you people) spoiling it." Tanya Van Looy said: "What do you think we are, walking banks!"

Here is one from a nine-year-old, Jeremy King, who says: "I think it's awful when a nine year old has to start paying tax for sports. (It stinks)." Lisa Beaulieu says: "You can afford to go golfing and fly cross country but we won't even be able to afford bowling. You won't be getting my vote." That is what 1,000 bowlers in Sault Ste. Marie said.

I have tabled 1,000 petitions under Standing Order 36 and I have several more that I have not tabled yet, but I will take this opportunity. A whole host of people from Trunk Road; Mary Pritchard, Allan Pritchard, Mary Buck, Ralph Buck, Loretta Armstrong, Candace Bond, Myra Patterson, all said: "Please, no GST".

I received 2,000 responses to my householder. Brian O'Neill from Church Street says: "The most regressive tax instituted in Canadian history. This government may have the authority but it has no mandate for such a tax".

Peter and Terry Lorzi from Wallace Terrace say: "I have a small business with three other people working besides myself. As much as I hate to, I'm thinking of giving it up and working for someone else, the small business person can barely survive these days. It seems very unfair to me".

Dennis Seabrook from Boundary Road says: "Please no GST". Debbie Belsito from MacDonald Avenue says: "I am an owner of a hair salon and like quite a few others, owning your own business is becoming less appealing. I love what I do and I love my country but it scares me to think of where it's going to end".

Gordon and Sandra Root say: "As music teachers we are very disturbed by the proposed taxing of music lessons. The pursuit of a musical education should be applauded and rewarded by the government much as the athletes are—not discouraged by taxation".

Rose and Liela Boniferro of Wellington Street East say: "Please stop. You are destroying the unique character of Canadianism. Never mind, your day is coming".

Mrs. Bouchard says: "I am 57 years old and my husband is 60 years old. For the first time in our over 40 years neither my husband or I own or can afford to own a vehicle or a house. My husband is retired".

An Hon. Member: It will be cheaper.

Mr. Butland: It will not be cheaper and Canadians know that.

• (1650)

I received 2,000 householders and 5,000 clippings from fast food restaurants in my community. The vote in my community: 28,000 signatures from people in my community who say "no" to the GST. But I have to be honest with you and the government, Mr. Speaker. I received two letters from constituents who said they were in favour of the GST.

I would encourage the government to take note of this vote in Sault Ste. Marie, and in probably all the other constituencies in this country. The vote is overwhelming. No GST! No GST! Listen to the people.

I have not mentioned individual letters. I have received letters from the New Brunswick Home and School Associations, from veterinarians, funeral homes, underwriters, appraisers, bowling lanes and tax preparers. Everybody says no GST. I encourage the government to listen, to come to its senses. No GST.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I have to admit that I cannot help but feel a bit of sadness, not because of what the hon. gentleman has said, but because of the over-all attitude of the members of the Liberal Party as well as the New Democratic Party. We have a clear example here, through the member from Sault Ste. Marie, of all the problems that these members are creating by choosing to use a major tax reform politically instead of looking at the good of the country.

Instead of saying what he has just told this House, the hon. member for Sault Ste. Marie should open up the book we have produced to explain the technical papers. He should read and he will have answers for his constituents. His duty is not only to report, it is also to enlighten and explain calmly to his constituents that the problem is not at all what they hear.

The list is long. He talked about music lessons and so on. He knows full well that the impact will not be the one that is feared and he should assist the government in this reform by explaining to citizens of his riding how this reform will work. They may not like it afterward, but they should at least try to have the correct information. We on our side at least, I can assure you, Mr. Speaker, will continue to work very hard over the coming months to explain to Canadians the importance of this reform.

As an example of information that is used in a way that is not always straightforward, I will refer to what the Leader of the Opposition said about deficit reduction. Last Friday, the Leader of the Opposition indicated that there was a lack of consistency between what I said and what my colleague, the Minister of Finance, had said, saying that the GST would contribute to deficit reduction.

I would like to remind the hon. Leader of the Opposition that in the technical papers of August last it was written: "The GST will contribute to deficit reduction effort and ensure we can continue to pay for programs".

I go back to the December papers where it is written yet again:

[*Translation*]

—that the GST will contribute to the government's deficit-reduction effort and help us continue to finance, etc., the programs and services to which Canadians are attached.

So, Mr. Speaker, I note that the opposition members, especially the Liberals, brought this country's finances to a sort of dead end which we are trying to change, modify and improve. Instead of helping to solve the problem that they created, the members of that party systematically oppose for partisan reasons everything we suggest to reduce government spending and to improve economic efficiency.

The Leader of the Opposition just said that the GST was "a tax on consumption", a consumption tax. I gladly agree, because 48 countries have one. This type of tax in itself does not—

Mr. Young (Gloucester): How many countries have two such taxes?

Mr. Loiselle: Well, how many countries also have 11 governments?

Mr. Young (Gloucester): Don't compare oranges and bananas!

Mr. Loiselle: Canada is a federal country and we are used to living with complicated political structures. How many countries have 11 first ministers?

Mr. Young (Gloucester): Those countries don't have governments like ours!

Mr. Loiselle: How many countries have 11 finance ministers? It won't kill us! There!

He said this tax would come down particularly hard on people on low and modest incomes. I repeat, we are going to replace a hidden tax that is slowly but surely destroying the economy with a modern tax. However, a consumer tax can be regressive unless it is accompanied by a certain number of measures. That is why we have put in place the best system—compared with all other countries that have this kind of value-added tax—to prevent and correct any regressive aspects of the sales tax, and I am referring to a system of tax credits—

Mr. Young (Gloucester): Not indexed?

Mr. Loiselle: Not indexed!

Mr. Young (Gloucester): Typical of our friends from Quebec, but we Acadians are used to being corrected this way!

Mr. Loiselle: I believe the past bodes well for the future. In successive Budgets we have always adjusted our credits and we are committed to doing so in future as well.

In any case, there is a tax credit system. We have also eliminated a number of commodities on which people on modest incomes are most likely to spend, such as rent, drugs and food. As a result, we have a system that adequately protects families with incomes of $30,000 or less, so that after the tax reform they will have more money than they had before.

Of course the opposition knows taxes are not a popular subject and I realize that people would prefer not to pay taxes at all, which is a perfectly normal reaction. So they are concerned, and the opposition is playing on that concern and making outlandish statements that have no connection at all with the GST. To hear them you would think companies will collapse under the tax burden. Nobody would make money any more, and meanwhile, it seems, we would make a terrific profit. It doesn't make sense. Why should we want to bring our economy to a standstill when what we want to do is put it back on track?

The hon. member for Davenport (Mr. Caccia) said that although we were replacing the manufacturer's tax because it was a bad tax, we increased it by 50 per cent over a number of years. And so we did. We used mechanisms that had been in place for 64 years to collect the funds we needed to carry out government programs. However, we tried to find ways to replace this pernicious tax, and we identified a modern, equitable and fair approach that was not only necessary but long overdue. I believe the government is acting responsibly, and the opposition parties should realize how important it is to continue our efforts to put our financial house in order. They were largely responsible for putting this country's economy in a practically untenable situation in the first place. Since 1984, we have been working very hard to turn the situation around. The goods and services tax is a modern tax that protects people on low- and modest incomes and, I repeat, it is a tax that exists in 48 countries. When people say: Sure, but none of these countries has a federal system of government. If that is the only drawback, let's discuss it, but they go on to mention the rest. It will be 7 per cent more. That's not true. We are removing a 13.5 per cent tax to replace it with a broader tax of 7 per cent. Canadians and consumers will in the end pay the same amount they were paying before. It will be a much more dependable way of collecting the revenues the government needs, and it will protect our ability to provide government programs. All in all, I repeat, this is a necessary, advanced and equitable tax reform, and I am sure that increasingly, Canadians will come to understand this.

• (1700)

[*English*]

Mr. Joe McGuire (Egmont): Mr. Speaker, the government's proposed good and services tax has sparked a great deal of intense debate in recent months. I am pleased to have the opportunity to speak on this issue that concerns and will potentially affect all Canadians. To state that I have serious apprehensions and misgivings regarding the GST would be an understatement.

I would like to outline some of the more troubling aspects of the proposed GST, with particular emphasis on those aspects that have the most effect on my province. I am convinced that the implementation of the GST will have serious detrimental effects on the citizens of Prince Edward Island and on all Canadians.

The government seems determined to implement the GST, despite the fact that approximately 80 per cent of Canadians disapprove of this new tax. It believes this is the time to implement this tax because it feels there will be enough time for people to forget before the next election. Instead of listening and responding to the concerns of the provinces, of businesses and of ordinary Canadians, the government is promoting the GST with an advertising campaign costing millions of dollars.

Canadians have every reason to be upset. Canadians are tired of the tax increases imposed on them since the Conservatives took power. From 1984 to 1988, personal income tax has increased by 106 per cent, corporate tax has increased by 49 per cent, and indirect taxes have increased by 54 per cent, and still there is very little reduction in the deficit.

A study done by the Canadian Council on Social Development says that taxes on the poor since 1984 have increased seven times those that are charged to the rich. Because of increases in personal and indirect taxes, the middle-income Canadian is now shouldering a disproportionate share of the tax burden. Not only are we paying more, we are receiving less. The GST will further aggravate this situation.

No one will argue that the manufacturers' sales tax is a tax that should be retained. No one will argue that this country does not need tax reform. No one will deny that we need a more simple and equitable tax system. But the GST is not tax reform. It is just a new tax, an unfair tax, an inflationary tax, a complicated tax which has all the earmarks of a bureaucratic horror show.

All Canadians will be affected by the inflationary impact of the GST. While the government expects only a 2.25 per cent increase in inflation by 1991, the Canadian Institute of Chartered Accountants predicts that this figure could be doubled as a result of the GST, which means that it will be 4.5 to 5 per cent. This coupled with the ordinary inflation, we will be experiencing a 10 per cent inflation figure by 1991.

Introduction of the GST in the present circumstances will create a two-tiered sales tax system in every province except Alberta. This will be chaotic for both business and consumer. Small business will be facing a compliance nightmare and consumers will find themselves in a state of confusion at the retail counter.

We were promised a visible tax. Consumers would be aware of how much federal tax they would be paying. The Consumers Association of Canada feels that visibility is an essential principle of any tax change. Consumer awareness lends to greater political accountability, greater reluctance to bump up the tax rate at budget time, and fewer accusations of unfair pricing.

There is little doubt that the GST will contribute to the worsening of existing regional disparities. The impact of the GST will be most harmful in the provinces with the highest provincial tax rates. These high provincial taxes will be imposed after the GST has already been added to the cost of an item. That is, there will be a tax on a tax. Therefore, the proposed new tax system will have a particularly detrimental effect on provinces with high tax rates and those provinces tend to be the ones which already have weak economies.

In Prince Edward Island, there will be a total of 17 per cent charged through the GST and the provincial tax system. The 10 per cent provincial tax will be added to the cost of the item plus the cost of the GST.

Another very serious problem arising from the GST, and one that will further contribute to regional disparities, is the fact that the tax will apply to transportation. Transportation costs are a vital factor for all Canadians, but particularly for those who live in regions remote from the production and distribution centres.

For example, a farmer in Prince Edward Island will have to pay more for farm equipment than a farmer in Ontario because of the increased costs in transporting the finished product from the point of production. Moreover, the imposition of the GST will also affect fuel costs. Even though transportation companies will be able to claim back the GST paid on fuel, the finance department apparently plans to offset this revenue shortfall by raising excise taxes on fuel. This additional cost for transportation companies will be passed on to consumers in the form of higher rates.

Once again, the ultimate bearer of the new tax will be the consumer. It appears equally evident that the consumer who lives in remote and rural areas will suffer the

most from the increase in transportation costs. Atlantic Canadians will get it in the neck one more time.

It is time for a change. The government should be devoting its efforts to alleviating regional inequities rather than imposing a tax which will help keep the poor provinces poor.

The effects of the GST will vary from sector to sector. One of the industries that will be hardest hit by the GST is tourism. It is irresponsible for the government to push through a tax proposal that will seriously damage an industry that generates $24 billion in gross revenues per annum, that has created new jobs faster than any other sector, that is Canada's second largest earner of foreign exchange, and that generates $11 billion in tax revenue for all levels of government.

According to the Tourist Industry Association of Canada, the industry will lose $1 billion per year and 25,000 jobs by 1993, if the GST goes through. Moreover, many of the 60,000 small tourist enterprises will be placed in jeopardy.

The imposition of the GST will also raise the price of domestic air fares and domestic holiday tours. Canadians will be discouraged from taking vacations in their own country. This will be extremely harmful, since approximately 70 per cent of total tourist dollars is spent by Canadians in Canada. Tourists will be further deterred from taking their holidays in Canada by the fact that the cost of eating in restaurants will increase because of the goods and services tax.

The effects of the goods and services tax on tourism will be particularly devastating for the Atlantic provinces. About half of the tourists who visit these provinces are from central Canada. These tourists might find that, in light of the GST, a trip to the United States of America might be easier on the pocket-book.

According to the Canadian Tourist Research Institute, Prince Edward Island will suffer more than any other province because tourism makes up 10.5 per cent of Prince Edward Island's gross provincial product.

The agricultural and small business sectors will also be seriously affected by the proposed GST. Cash flow problems will be further aggravated. While many of the goods and services that are being used by a farmer will be taxed and rebated, the farmer will still be required to pay the tax up front. Farmers will be forced to spend a lot of time and money figuring out the claims system and maintaining detailed records in order to comply.

According to John Bulloch of the CFIB, the ultimate compliance nightmare will be caused by the two-tiered tax system. The GST alone has to be accounted for at every stage of the production-distribution chain. The government's attempts to simplify the accounting procedures are, in Mr. Bulloch's words, "the most complex part of the whole nightmare". This is typical of the bureaucracy. By simplifying things, they make it more complex.

The complexity of the system will add significantly to accounting costs, not only for the business owners and farmers, but also for those who have to comply with a sales tax system for the first time.

• (1710)

For example, fishermen in Prince Edward Island who, for the most part have had their record keeping maintained for them by the large fish processing companies, will be faced with significant administrative costs when the GST is implemented. They will have to file monthly GST returns in order to be eligible for rebates on their purchases. The Canadian Federation of Independent Businessmen in Atlantic Canada says that the fishery sector in Prince Edward Island will be particularly hard hit with high costs arising from the administration of the GST.

Another problem area that I would like to address briefly is housing. Housing ownership was once regarded as an inalienable social right of Canadians. Past governments have instituted programs to help people save for a down payment. In 1985, this government killed the RHOSP. In 1990, the same government is adding GST costs which will help make home ownership even more unaffordable and will impact negatively on the construction industry. GST will also be added to legal fees, appraisal fees, real estate fees, et cetera, further inhibiting home ownership.

These are only a few of the burdens added to the tax load of Canadians by the goods and services tax. It is a terrible tax: inflationary, cumbersome, unfair and expensive to administrate. The GST is not the answer. I ask the government to withdraw it. Since Atlantic Canada is especially hard hit, I ask the Conservative members from

Atlantic Canada to live up to their responsibilities to the people of the region and join us in killing this odious tax.

Mr. Ken Hughes (Macleod): Mr. Speaker, I rise today with firm resolve to speak as an Alberta member of Parliament and to speak on this measure at the report stage on legislation introducing the goods and services tax.

All Canadians are aware of the controversy in the debate generated by this aspect of tax reform. Of course, members of the opposition have not helped. They have played upon the natural fears of many Canadians through using misinformation, the only weapon they have in their arsenal.

This is, and will continue to be, a tough debate on the streets, in the coffee shops and over the kitchen table in homes across Canada. Some constituents have urged me to vote in favour of the GST and some constitutents have urged me to vote against the GST. What are the factors that I must consider? What are the arguments on either side? Let me deal first with why I should even consider voting against the GST. There are nine commonly cited reasons.

One, if the GST were a new tax raising buckets of new money for the federal government, then I should vote against the GST.

Two, if the GST were a cash cow easily increased once in place, then I should vote against the GST.

Three, if Albertans do not already pay a sales tax and we know that that is one of the ways that we as Albertans define ourselves, then I should vote against the GST.

Four, if the GST were to create a spiral of inflation in our economy, I would be the first on my feet to vote against it.

Five, if this were an unfair tax that hurt the poor and the seniors, then I should vote against the GST.

Six, if the GST were to be an administrative nightmare for small business and farmers, then I should vote against the GST.

Seven, if businesses and farmers would have to pay GST on their rent, on their equipment, on their supplies and other purchases resulting in an increase to input costs, then I should vote against the GST. If the GST were to increase costs of production in agriculture, then I, as chair of the agricultural caucus representing a strongly agricultural riding, should vote against the GST.

Eight, if I felt the elimination of the existing federal sales tax would not be passed along to consumers, then I should oppose the GST.

Finally, number nine, if I felt there were several better alternatives or even one better alternative, then I would vote against the GST and call for that better alternative.

The bare facts do not sustain any of these propositions. Let us examine them one by one.

First, this is a replacement tax. The GST replaces the federal sales tax. Both the old FST and the new GST raise about $18 billion net for the Canadian treasury.

Second, if governments wanted a secret cash cow, they would keep the existing federal sales tax. Perhaps, this is the real reason that some members of the Liberals and the NDP oppose the GST. They want the so-called painless secret cash cow provided by the existing federal sales tax. The Conservative party wants an open and a visible tax so that Canadians know when they are paying for the services they receive from this government.

Three, Albertans already pay $1.7 billion in federal sales tax. Under the GST, they will pay about the same amount.

Four, regarding inflation, there is clear evidence from other countries that indicates that such a change does not create a spiral of inflation, because of the removal of the federal sales tax at the time that the new goods and services tax is introduced.

Five, regarding seniors and lower-income Canadians, the GST does not tax groceries, rent, health care and other basic necessities which compose the bulk of expenditures of these people.

Six, regarding administration for small business and for farmers, the GST tax return is but one page in length.

Seven, the GST will decrease input costs. For example, a farmer presently pays federal sales tax on the purchase of a pick-up. Under the GST, he or she will not be paying that input cost any more.

Eight, with respect to whether the eliminated FST will be passed on to consumers, we know that if one retailer

is slow to pass along the difference another will not be. That is the basis of economic competition in our society.

Finally, is there an alternative? Yes, Mr. Speaker, there are alternatives, but I can assure you that they are all worse in their impact on my riding, on my province, and on my country.

We could stay with the federal sales tax. We could continue to damage the economy and to eliminate thousands of jobs that never got a chance to get started. We could increase income tax. Is that what they want? They want us to increase income taxes. They want to increase other taxes. Or, we could cut out important programs like pensions. Is that what they want to do? There are always simple answers, and they do not work.

It is my view that I was not elected to simply be popular and to try to get re-elected. I believe that I was elected to make judgments and do the right thing for my riding, my province and my country. For these reasons and for many more, I will vote for the goods and services tax.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the best of luck to that hon. member. We are going to see an alternative all right, an alternative sitting in that seat after the next election.

I want to begin my remarks by saying how disappointed and disgusted I am in witnessing this continual abuse of parliamentary procedure by the Conservative government. The government has decided again to invoke closure, or time allocation as it is properly called, on almost every piece of legislation in this House.

Since I was elected, the government has moved to limit debate no less than 37 times. That is more often than any government in history since Confederation. No wonder the Conservative government is at an all-time, precedent-setting, record low of 15 per cent in the polls, and going down. Read all about it. It states in the newspapers that no other Canadian government has fallen to such levels since Gallup began polling during the Second World War. Mr. Reid states that this is a signal that Canadians think the government is adrift. Adrift, Mr. Speaker!

• (1720)

I rise in support of the motions moved by my colleague for Gloucester, seconded by the member for Kingston and the Islands. The motions would have the effect of deleting the most substantive portions of the bill. These portions would have the effect of putting into law the concerns raised by the Official Opposition regarding the goods and services tax.

What are those concerns, Mr. Speaker? Permit me to list them for you: that the GST is regressive; that the GST is unfair; that the GST is inflationary; that the GST will be a nightmare to administer for the government and businesses. According to the Minister of National Revenue, the start-up costs for the GST alone will be over $1 billion and will cost over $380 million to administer every year.

The legislation before us would entrench a system of taxation that would put the tax burden squarely on the shoulders of the less well off in our society.

I could not help but listen to the two hon. members earlier. The member for Calgary Southeast had the audacity to ask: "What are they doing here?", referring to the opposition. He says that we are wasting time here in the highest court of the land. But I would like to remind that hon. member for Calgary Southeast that we in the opposition represent 80 per cent of Canadians on this issue. Eighty per cent of Canadians say no GST. I suppose that the hon. member for Calgary Southeast represents the remaining 20 per cent.

Then the member for Calgary Southeast had the nerve and the audacity to call the members for Calgary Northeast and Edmonton Southeast "characters". They are Members of Parliament. They are fellow caucus members of the member for Calgary Southeast. These gentlemen, and I suppose there are other members of Parliament in there as well, know best the demands and the wishes of their constituents. They are the ones who are there in the riding. Yet the member for Calgary Southeast has the nerve to stand up and call the members for Calgary Northeast and Edmonton Southeast characters just because they are acting in the best interests of their constituents. It is their constituents who are telling their member of Parliament, the person they gave the privilege and the honour to stand in this House, to say no to the GST because that is what the

constituents want them to do. The member for Calgary Southeast calls them characters and makes idle threats: "Kick them out of caucus", he says.

Even before this second stage of the tax reform had taken shape culminating in the bill before us, the Conservative government, led by the Prime Minister, managed to raise taxes 32 separate times since taking office in 1984. The present manufacturers' sales tax, a tax which the Minister of Finance called a silent killer of jobs, was raised by him from 9 per cent in 1984 to 13.5 per cent today. Each time he raised the tax, in essence he became an accomplice to the elimination of Canadian jobs. Under the second stage of tax reform—now, there is a word, "reform". The Tories did not want to call it what it really is, they call it tax reform. A good PR job sells it better—it is becoming increasingly clear that the poor and middle classes will be hit even harder with the GST. We have heard examples of that, especially from the hon. Leader of Her Majesty's Loyal Opposition, the member for Windsor West. He gave all kinds of examples of how that tax is going to hit us along the way.

Under the second stage of tax reform, this government has forgotten, but it must recognize that whatever tax system is finally put in place it must promote fairness and eradicate economic discrimination. The GST is not such a tax. It would have the opposite effect and here are a few examples. The Hamilton and District Homebuilder's Association states that the GST will add $3,000 to the price of a new home. In Metro Toronto, this could be as high as $9,000.

Due to the GST, the government expects a minimum increase in inflation of 2.25 per cent. Of course, we know that is going to signal the Bank of Canada to maintain high interest rates, adding to the cost of a new home, car, or whatever other investments.

The Conference Board of Canada estimates that the number of jobs that will be lost due to the tax could be as high as 72,000 in 1991.

If the government has its way under the changes to the unemployment insurance system, Canadians who lose their jobs, through no fault of their own, will receive less entitlement for a shorter period of time.

The tax will be a nightmare for small businesses to administer. It could cost them over $2,000 in compliance costs alone. The Conservative Government had promised an annual subsidy for small businesses, but instead has opted for a one-time allowance.

The government has also placed the onus on businesses to decide whether or not they will include the GST on the shelf price of the good, or at the cash register. If they include the GST on the shelf price, the Minister of Finance says that businesses should post signs saying that the GST has been included. However, his officials have confirmed that there is no requirement to do so, meaning that another promise has been broken that the tax would be visible.

Let us not forget the provincial sales tax. Even though the provinces stand to gain, there will be a little windfall for the provinces in applying the GST then the provincial sales tax on top of the price of the good. So the Ontario Government, for example, stands to win. This government cannot get one province on board to help administer this tax.

Canadians should remember that included in the second stage of tax reform are massive cuts to existing programs. Some of these are familiar to Canadians already. The clawback on Old Age Security, the freeze on payments to Canada Assistance Plans for the needy, withdrawal of government support for the Unemployment Insurance Program. The GST is simply part of the over all Conservative strategy to paint a misleading picture of our present situation.

In closing, as a member of the Official Opposition, I respect the fact that Canadians can and should be encourage to join in pursuit of the free market. However, I do not believe that the operation of this country should be financed on the backs of those who are least capable of paying, which is what I believe is proposed in the GST.

For the record, GST simply means "government sanctioned theft".

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, we are going to axe the tax and put in a tax that is fair.

The other day people opposing the goods and service tax decided to phone my office. I happened to be there and picked up the phone and talked to a Mrs. Carmichael. She told me how terrible this tax was. I said: "Mrs. Carmichael, we are going to axe the tax". And she said: "Oh, that is marvellous. You are going to axe the tax". I said: "We are going to axe the federal sales tax, Mrs. Carmichael". She said: "That is wonderful. Why didn't you say so?". Well, that is what I have been saying across

the country. That is what the whole policy is about. The policy is about getting rid of the most unfair, unCanadian piece of legislation that the government has had in force since 1924.

• (1730)

We have had report after report: three royal commissions. There was the Goodman study, on behalf of the hon. Marc Lalonde; a study undertaken by Mr. MacEachen, a study undertaken by Mr. Chrétien; a study done by Mr. Turner; a study done by our present Minister of Finance; all designed to find out how they could alter the current federal sales tax and do something other than a goods and services value-added tax.

Time after time governments realized how wonderful the current tax was for them, because under this current tax when taxpayers' put their hands in their purses or wallets and take their money out, the government takes their money and they do not know it. We are going to axe that tax and we are going to put in a tax that is fair, visible, upfront, honest and works for the benefit of Canada.

Mr. Fisher: It is regressive.

Mr. Blenkarn: This tax covers the whole gambit of goods and services in the country. It is designed to be rebatable and take the burden off our industry and off our business. In the rebatable system what we do is allow business to invest in new buildings and new machinery and farms to buy new pick-up trucks, new milking machines and new things that they presently pay tax on and get that tax rebated to them so they can grow, develop, create and make a better Canada without the burden of tax on their backs. That is a 4 per cent refundable tax credit to every single developer-creator in Canada. That is what we are doing. We are building Canada.

My friends on the other side are worried about building Canada. They want to make sure that there is a weak, wimpy Canada because they are weak and wimpy.

Some Hon. Members: Oh, oh!

Some Hon. Members: Hear, hear!

Mr. Blenkarn: We are now at report stage of a bill that has had before it was engrossed a very thorough study across Canada by the finance committee. It has been the subject of a report. It has had a further study by the department that resulted in a bill which was brought before this House on second reading and then referred to the finance committee for further study and further amendment. A whole host of amendments were put through.

Two excellent amendments, by the way, were put by the hon. member for Essex—Windsor dealing with the benefits to credit unions and psychoanalysts, an exempt profession. These are good amendments that were put forward by the member for Essex—Windsor.

It is too bad members of the Official Opposition could not get around to doing any thinking on the bill because they too probably could have come up with some more amendments that were worth while. But, what did they do? Their amendments before us today simply say: axe this section, axe that section, get rid of that clause, get rid of the other clause, but there is nothing progressive, no creative thinking.

I recommend to the House tonight the amendments put forward by the hon. member for Mississauga West dealing with the horse racing industry and with the ability of charities and others to run bingos so that that kind of fund raising on behalf of charities bears no tax. These are the kinds of amendments that have come out of hard work done by members of this House in changing, persuading and ameliorating the problems of this tax to make it work better.

I want to thank members of the finance committee who worked on it, my colleagues from Mississauga West, from Essex—Windsor and others for the efforts in making the bill work the way it ought to work, because it is a pretty simple form of taxation.

I am told it is awfully complicated. I want to tell you, Mr. Speaker, in a simplistic way all you have to do is put two nails on the wall. On the one nail, you put all the bills you received for everything you buy, and on the other nail put all the invoices you have for everything you sell. Then once every three months or once a month, depending on how often a small business wishes, they simply subtract one pile of bills from the other pile of bills, multiply by 6.54, and that is what they send in. That is as simple as you can get.

Mr. Fisher: What about those who have nothing to sell?

Mr. Blenkarn: If you have nothing to sell, you create nothing. Then you pay the tax because you are a consumer and consumers pay consumption taxes.

We have a philosophy of taxation on this side and that philosophy is: as far as income is concerned we ought to tax income, we ought to tax work, but not so much as to persuade people who work that it is not worth their while to work. That is why we have managed over a period of time to reduce our income tax rates. We have to do more of that, but we have reduced income tax rates as we did in stage one of tax reform.

We have to tax capital, but not so much as to make investment unfair or inappropriate. We have done that as we have worked, bit by bit, through amending the Income Tax Act and other statutes. Here we are reorganizing our consumption tax in such a way that we get growth in consumption tax activity instead of the negative attitudes that have been expressed in the existing federal sales tax. This tax creates a new growth attitude in Canada, a growth attitude of 1.4 per cent above the existing base case, that improves Canada and makes it bigger, grander, and finer.

It creates an additional $9 billion worth of new wealth in the second year of the tax and probably more. They say it is going to cost us $300 million in additional costs. I guess I would spend $3 to make $90 any day. That is what we are talking about when we talk about costs.

Where are we? We are in the final stages of a debate in this House of Commons to change a tax system that Canadians have been asking to have changed since the Rowell-Sirois report of 1940. No government has had enough guts, drive or initiative to do what has been necessary.

You do not rule by the Gallup poll. You do not govern by the Gallup poll. You govern by election, and we presented to the people of this country our alternative for sales tax reform in the White Paper of 1987. That White Paper formed the basis on which we went to the country in 1988, and the country endorsed this party as the government. It is on that endorsement that this policy is now before us here, in final form, endorsed by the people of Canada in the election of 1988.

Mr. McCurdy: Give us a break.

Mr. Blenkarn: This is a simple form of taxation. Even Mr. Bulloch will be able to figure it out when he gets around to it.

An Hon. Member: Don't count on it.

Mr. Blenkarn: My friend says "Don't count on it", but I have to say that even Mr. Bulloch will figure it out. Once it is in place I believe we will have the provinces of this country joining up in this tax system. Sure, it is unpopular now. Sure, we are unpopular, doing the tough things that have to be done, but we are trying to make Canada grow and we are building a nation. We are not building a society of wimps and weasels, and wastrels.

Mr. John Brewin (Victoria): Mr. Speaker, it is an unexpected pleasure to be able to speak after the hon. member for Mississauga South. As I listened to him I knew I was listening to someone who was so absolutely out of touch with the Canadian people that he could say that public dissatisfaction with this GST is actually diminishing. The member is radically and completely out of touch with the Canadian people. Of course the tax is unpopular. Any tax is bound to be unpopular. It is not a question of whether the tax is in itself is unpopular, because obviously there is a natural tendency for tax to be unpopular.

• (1740)

However this particular tax is unpopular for a deep and fundamental reason. The member fails to read history. What history says is that over and over again governments, administrations and regimes that fail to listen bring in a tax which cracks the system and forces change. Every major revolution over the last 200 years or 300 years has been triggered by an unpopular and unnecessary tax. I suspect, unless this government listens more carefully in the hours, weeks and months ahead, what we are seeing now is a fundamental radical realteration of the Canadian political landscape.

I spent last weekend in my home constituency, as did most members. In Victoria I was impressed not only with the amount of the opposition to the GST but the underlying sense of bitterness and despair that we have a government in Canada that simply will not listen to the Canadian people. This government has learned as a result of the 1988 election a mistaken lesson. It learned

then that it could recover from unpopularity if it just hung in there.

It is now trying to apply that lesson to the current situation. It has been advised by tax advisors who simply fail to understand that a tax system is an intricate system of social economic relationships. To tinker in a fundamental way as this tax does is to set loose major tremors through the whole economic system at a time when the Canadian economy simply cannot take it. For example, the government and its advisors, the Minister of Finance and the Prime Minister have said over and over again that this tax will not be inflationary. They have studies to prove it. Already the people are understanding more than the government knows, that this tax is going to be dramatically inflationary at a time in our economy when we cannot stand it.

I have a tax notice that a senior citizen received in Victoria. The tax notice is for a tax increase of 17 per cent that comes into force on July 1 of this year. The landlord, in explaining the tax increase, says it is because of the GST. We know that workers across this country are beginning to gear their wage demands to take into account the effect of inflation. We know that prices are already beginning to be jacked up in anticipation of the GST. Real estate prices are going up in anticipation of the GST. The people know that this tax is going to be inflationary.

Why won't the government listen? This weekend we had what was called the no campaign. People had an opportunity in more than 500 communities across Canada to vote on the GST. Certainly in Victoria they came out in amazing numbers. People of all persuasions, of all points of view, were united around a single clear message, and that is no to the GST. As I emphasized before, it is not simply a reaction to being taxed more. When one has a chance to sit and chat carefully with the people who are signing these cards, one uncovered a range of attitudes. In some cases it was a negative feeling toward any increased taxation. In many cases it was thoughtful, careful business people who have studied this and who are worried and afraid of the impact of this tax on their business and the administrative chaos that is going to ensue.

I talked to a couple who are involved in the clothing business in Victoria and Vancouver. They already find that the retail prices in Washington, just south of the border, equal their wholesale prices. They worry about what the GST will do to them.

There was another couple who had a business. They looked into the administrative aspects of this and found there were tremendous complications in collection that this is going to cause. Another man has been a Conservative all his life. He was feeling a sense of tension and anxiety at the cheating that he says will happen in his particular business. He does not want to do that. He says that, in competition, he is going to be forced to do that, or he is going to be forced out of business.

These are genuine concerns. They are based on life-long experience and this government should listen. There will be hundreds of thousands of Canadians over this wèekend who will sign these cards. They will take the special effort of signing a card and filing it, and asking the government to say no to the GST. It is not too late for the government to listen.

I suggest that in mere self-preservation the government must begin to listen to the people of Canada. The member for Mississauga South made a virtue of acting in the face of public opinion polls, and certainly there are circumstances under which those acts of political courage are necessary. But this is an act of arrogance and foolhardiness, pushing forward with this tax in the face of the collective wisdom of the Canadian people.

It is now very clear that the impact of this tax is felt most strongly among those who have spent their lives as Conservatives, who have been supporters through thick and thin of this Conservative party. It is ironic that it is the Conservative party which is now seen by so many people as leading this country into disintegration and disarray. This was the party that founded Canada in many respects, that had that initial, historic vision.

It is now the party that is perceived by many of its own supporters as dividing and causing the disintegration of this country. We have the free trade agreement. We have the litany that we have been raising in this House over the last number of months; the disintegration of social programs, unemployment insurance, seniors' programs. We have had in recent months and weeks the elimination of funding for women's programs, a clear and absolute violation of the responsibility of this government.

Now we find that this party, which was elected back in 1957 and 1958 on the campaign for the freedom of Parliament and against closure, has used closure to impose this unpopular, unfair, dishonest tax on the Canadian people. The GST is part of the Americanization of Canada. The government is refusing to see that we have, in this country, a distinctive social and economic system which needs changing in a different way than that the government takes us.

This government moves us increasingly into an integration with the American economy. We must have a tax system that reflects the essential social democracy of this country which is fair, honest and open. The government's refusal to listen to the Canadian people will mean the end of a Canadian institution. I must say I do not spend too much time worrying about the fate of the Conservative party, but it is an institution which has played a part in keeping this country together.

What is happening in Victoria is happening in community after community across the country. The Reform Party for example, in my riding, has now signed up 800 members. Clearly, from the impression I had on the weekend, it has replaced the Conservative party as the voice of conservativism in western Canada.

• (1750)

That means that western Canada is now represented by a sectarian party which does not and cannot properly represent all Canadians. But it is a symptom of the disease which has been inflicted on this country by the Conservative party.

I call on the House to reject this bill, to reject this tax and I call on the government to pause once before it crosses the brink. It is not too late. The Canadian people must be listened to. The Canadian people will be listened to.

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I am glad to have an opportunity to participate in what I hope is near the end of a lengthy process of reforming the tax system which this government began about five years ago. I have been part of that process for most of that time. Over the course of that time we have seen more misinformation, hysteria and nonsense on this subject than perhaps any other that has ever been discussed, with the possible exception of the free trade debate during the last election campaign.

I took the time yesterday to find one of the tabloids that I used in the last election campaign because I wanted to make sure that what I was doing here on this subject was consistent with what I was doing in the election campaign. I took that tabloid out. I have it here and it has a nice picture of me and one of the Prime Minister and some senior citizens. It talks about free trade and has some information about that. But what is important is what is on the back here—

Mr. McCurdy: Show us what is on the back. There is another picture there too.

Mr. Dorin: That is right. There is another picture. There is a picture of myself and the Minister of Finance. He was the Minister of Finance then and he is now.

The Acting Speaker (Mr. Paproski): The hon. member knows that he should not be using any of his props. I do not wish to see any props in this House, please. The hon. member for Edmonton Northwest has the floor.

The hon. member for Windsor—Lake St. Clair on a point of order.

Mr. McCurdy: Mr. Speaker, the hon. member is referring to a picture album of himself. Since that is a document to which he is referring, I would ask that it be tabled for the benefit of other members of the House.

The Acting Speaker (Mr. Paproski): The hon. member for Edmonton Northwest has the floor.

Mr. Dorin: Mr. Speaker, I would be more than glad to table it. But before I table it I will quote something from it. It talks about tax reform. It says the following.

The Acting Speaker (Mr. Paproski): First, the hon. member will not be able to table it. Second, I would appreciate if he would just leave it on his desk and quote from it there.

Mr. Dorin: Mr. Speaker, I will be glad to do that. What I said in that document was that tax reform is an issue in this election. That of course was the last election. We had completed the first stage which was income tax reform, corporate and personal. I was talking about the second stage of tax reform because we had completed the first stage:

> The second stage of tax reform will be the development of a better and fairer sales tax regime. The inadequacies of the present federal sales tax system are widely recognized; it is complex, hidden, unfair to lower-income Canadians, impedes the ability of Canadian firms to compete internationally, and is too narrowly-based. The present tax applies to only about one-third of the goods and services produced in Canada.
>
> Changing the federal tax system is a very complex process. This government is committed to developing and implementing sales tax changes in full consultation with the provinces, the business community and individual Canadians. The government is continuing to work with the provinces—
>
> Reform of the sales tax system will ensure that the revenue obtained will replace those of the old manufacturers' sales tax and will be accompanied by a significantly enriched sales tax credit—It will be designed to reduce the complexity, ensure the fair treatment of all businesses and eliminate both the inequities and competitive disadvantages that are a basic part of the current tax regime.
>
> The government is also committed to ensuring that municipalities, hospitals, school boards, colleges and universities will not bear a greater tax burden under the new system and that basic groceries, prescription drugs and certain medical devices will not be subject to tax.

Those were my comments during the election campaign. I distributed 40,000 copies of that document in my constituency. I gave every elector in my constituency an opportunity to see what we were planning to do when we returned to office, as we were, because the people chose wisely and they recognized that this was a government with a platform, plan and vision.

What we are doing here today is implementing exactly what we said we were going to do in the last election campaign, exactly what I said we were going to do as stated in 40,000 copies of a tabloid that I distributed throughout my constituency.

Over the course of the last several months, we have heard from a lot of people who have talked about this particular tax. I would just like to let you know what some of them have had to say. The Canadian Chamber of Commerce said:

> We do not favour the maintenance of the current manufacturers' sales tax. Its serious flaws have been well documented and need not be repeated here. We do support the concept of a value-added tax as a vehicle that could serve as the best replacement mechanism—

Some people might be interested to hear what Shirley Carr of the Canadian Labour Congress had to say. She said:

> I should add that the Canadian Labour Congress has long been critical of the existing federal sales tax which is hidden, unfair, and economically destructive tax.

She was accompanied by Bob Baldwin, director of technical services. He said:

> Within the realm of multi-stage taxes, there are all kinds of design options—We have not said we are opposing multi-stage taxes in principle.

Maybe we should talk about Mr. Bulloch because he had some things to say. Some members were quoting him earlier. I asked Mr. Bulloch the question: "Do you agree there is a problem with the existing federal sales tax that needs to be resolved? Is that true?". He said: "Yes". Then he said: "Everybody out there would like to have an alternative to a multi-stage sales tax. The trouble is, one is not out there".

Let us hear what some other people had to say. Mr. Alasdair McKichan, president of the Retail Council of Canada said:

> Our members are firmly of the opinion that the current MST is outmoded and inefficient in a great many ways. We acknowledge it must be replaced and that the economy and the revenue needs of the government would best be served by a comprehensive goods and services tax along the lines of the type we are now considering.

I will give another example. Mr. Michael Geller, president of the Urban Development Institute said:

> Our position is that the sales tax reform is necessary to reduce the deficit, to improve the over-all fairness of the tax system, and to ensure that Canada can compete effectively in the world. We will support a GST which will contribute to the realization of these goals.

Because there are many members who have automotive plants in their ridings, I will quote Mr. T. Mezon, Government Relations Committee of the Automotive Industries Association of Canada:

> As a representative of the manufacturing sector of our association, let me say that we are in agreement with the proposed GST. We think that the current FST has been an unfair burden for the Canadian manufacturer.

Mr. Roy M. Woodbridge, president of the Canadian Advanced Technology Association said:

> I can tell you pretty categorically that if you got a roomful of our members and asked them, taking the good and the bad all together, how many are in favour of this, you would have about 98 percent raising their hands in favour.

I could go on and on because I have a long list here, but I know that I am out of time, so I will thank you and allow the next speaker to continue.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I rise tonight, and it is night, it is six o'clock and supper hour, to say that I am against Bill C-62 and will vote against it. Every consumer sitting around their kitchen table can say that the food on that table will not be taxed because it is a necessity. But next year every consumer in Canada will pay an additional 7 per cent on everything else in the kitchen.

• (1800)

The minister can talk about his 13.5 per cent—maybe he thinks he can fool some Canadians, but obviously he has not fooled 80 per cent of Canadians. The manufacturers' sales tax, or the federal sales tax, as the minister should be aware, is only on some goods. I do not say that it was a good tax. But I certainly do not think that the goods and service tax is a good tax when you think that everybody is going to pay 7 per cent on all goods and services, except on basic necessities such as food and medicine.

There are several reasons why I dislike this tax. One, it is regressive. It makes the lower income Canadians pay. I think there are other areas where this government could have looked to reclaim some money from Canadians—but I will come to that. It affects every low income Canadian, whether they are a student, unemployed, a widow, or single woman or man in their 50s, everybody. It means they will have to find 7 per cent more next year to buy the same thing that they bought with their income this year, except for some of the major items such as a car and they are still going to have to pay 7 per cent on a car.

The other thing is that it is inflationary. We are asking the people to find 7 per cent more in their income. It means higher wages and it also means, in my opinion, fewer jobs. There will be less incentive to buy come the beginning of the year until people get used to this tax. Next year they will need more money to do what they did this year.

The government says: "Oh, well, we are giving a credit to Canadians". I agree, they are giving a credit to Canadians. There has been a federal sales tax credit in the income tax system for the last three years. I have never heard statistics on how many Canadians filed income tax returns when they did not pay income tax nor have to pay income tax. I can only say that my constituency offices have many people who have never had to fill out an income tax return, and there are many people who not even know that that credit has been there for the last three income tax years. As well, it means they must file an income tax credit in order to start receiving the credit next December. That means every Canadian.

It would be very amazing to me, a politician, to think that every Canadian will have enough awareness to know that they must file that income tax return in order to qualify for that credit. It takes a long time for people to get used to it. There is always an injury to Canadians until they get used it.

Ms. Clancy: That's right.

Mrs. Campbell (South West Nova): The collection from the individual taxpayer is one thing but there is another element. It is only partially indexed. The National Council on Social Welfare estimates that a partial indexation of the goods and service tax credit will result in 100,000 families losing the credit within two years, and some 700,000 within five years. *The Canadian Tax Journal* tells us that 46 per cent of Canadian families earning less than $30,000 will pay more taxes in 1991, contrary to the government's argument as to the fairness of the goods and service tax.

The Minister of Finance says it will increase inflation by a factor of 1.25 per cent. That is his statistic. That is a government statistic. Many economists say that that is a very optimistic figure.

I see many other consequences that we do not have time to talk about here. I do know that next January there will be more bartering among people, and I cannot say that I am against it. Why not avoid the 7 per cent? Why not allow the poor or lower income Canadians to barter? I am certain that the higher income Canadians will go to the United States for services and the government will not get the 7 per cent. Why do I say that? If I were going to plan a trip to the United States, I would write to an American travel agency rather than pay the 7 per cent here for the same service. With the free trade agreement it could not be prevented because the United States would tell us that we were interfering with their way of work. I can see many areas where the government will lose the benefit of passing this goods and services tax.

I know we are under a 10 minute rule for speeches under closure and this is one of the last times to debate this bill. Tomorrow night at this time we will be voting on third reading. Contrary to what 80 per cent of Canadians may feel, by tomorrow night at this time the House will

not have the power to change anything in that bill unless it is returned to us from the Senate.

I say to the 80 per cent of Canadians, as a person who understands politics, there is only one way to make your voice heard between now and tomorrow night. My constituents have certainly written to tell me they are against the goods and services tax. I can only say to them, find the telephone number of your member of Parliament. Find out where his or her office is and make sure you report your feelings on the goods and services tax.

All weekend I heard: "Well, if 80 per cent of Canadians are against it, how can it pass?" It is a very real thing in our parliamentary system that we have a government which has a majority and the majority is going to pass this bill.

We have heard why it is a simple tax and why there are no other alternatives the government has wanted to look at, and I will get to those alternatives if I have a minute. I tell the Canadian people that a majority means that regardless of the feelings of constituents the government is going to pass this 7 per cent tax. I can only say to Canadians, get on the phone, go visit your MP's office by tomorrow night at six o'clock, and register your concern in their offices, at their desks.

Ms. Clancy: Hear, hear!

Mrs. Campbell (South West Nova): That is your last chance—except of course in the next election. It can easily be done at that time but it is better to do it now so that the tax is not put into place.

Ms. Clancy: The electorate will remember.

Mrs. Campbell (South West Nova): What are the alternatives? The government could have kept the federal sales tax, or it could have done away with it as people have said. It could have used the our income tax system as it is today by increasing the income tax levels of the three groups. But the government does not want to do that. It wants to bring in a 7 per cent consumption tax, a regressive tax. It could have gone to the single tax—as my colleague from Broadview—Greenwood has said—which has a lot of support across Canada from both businesses and economists. It could have closed existing loopholes, such as changing the capital cost allowance, as I have said before, so that it reflects a true replacement cost. It could tax real capital income including capital gains.

At least these would be affecting the higher income earners rather than the lower income and the poor people of Canada. It could have gone after the business meals and entertainment deduction that tax specialists have said is a big loophole, a billion dollar loophole and growing.

I know, Mr. Speaker, that my time is ending and that I have two minutes.

I want to get very parochial because as a maritimer, as an Atlantic Canadian, a Canadian coming from the eastern part of Canada, there are other things that this tax does. It will affect our tourism trade.

Ms. Clancy: Will it ever!

Mrs. Campbell (South West Nova): Yes, they can get a refund as they leave the country, but 7 per cent on top of everything else is very negative to tourists coming to Canada. It is certainly a better thing for the Canadians to go to the United States and not have to pay the 7 per cent on the goods and services there. I am sure there will be an exchange of tourism, but we will be going to the United States to buy instead of paying the tax here.

The other thing it does is to put a negative on transporting goods from the east to the Ontario market. We are going to have to add on an additional 7 per cent to our transportations costs, which in light of some of the things that have happened in the past few months, have gone up.

• (1810)

I know that my time has run out. I thank you for your endurance. I would only say that I think the government should reflect hard and long before bringing this bill in for third reading tomorrow. I think that the people in Canada should get busy and tell their representatives that they have a majority and they are abusing it.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I wanted to participate in this debate today because I think it is important that we set this particular item in the context of what the government has been doing for the last several years.

We know that one of the difficulties facing Canada is that we may not be competitive down the road. If we look at what this government has tried to do over the last five

and a half years, most of those actions have been designed to make Canada a competitive country so we could enjoy the social programs that we all desire.

Take for example, the Foreign Investment Review Act.

Ms. Clancy: Take it, please!

Mr. Winegard: People said: "You have got to watch that. Don't let any of that foreign money in."

Ms. Clancy: We've sold the country. Let it go.

Mr. Winegard: FIRA has gone, and the reason FIRA has gone is that we want to make Canada competitive. We welcome foreign capital.

Another example is the National Energy Program. I often hear what a marvellous thing the National Energy Program was for my province of Ontario. We know what damage it did to the west, but it also severely damaged my own province of Ontario. Let me explain. It damaged it because with the cheap energy, lower than world prices, Ontario industry became lazy. Ontario industry did not have to use their heads because they had the option of cheap energy. That was no favour to my province. The National Energy Program was bad for the whole country. That is why we got rid of it, to make Canada competitive.

With the free trade agreement, people wanted to draw the wagons around in a circle. They would prefer to have us trade only interprovincially. They did not want to have us get out and trade with the rest of the world. They said it would cost us jobs, and it would be terrible. The fact is that since it came in, 200,000-odd jobs have been created since January of 1989. Of course, they are not all due to the free trade agreement, but the net result has been positive.

We look at some of the other things that this government has tried to do. With deregulation we are trying to make Canada competitive with the rest of the world, and that is really what the GST is all about. When you have a 13.5 per cent manufacturers' sales tax, a tax that hurts Canadian industry and everyone agrees in this House that that is a bad tax—

Ms. Clancy: Not as bad as the GST.

Mr. Winegard: —then you have to do something about it. When you have 22,000 exemptions to the current federal sales tax, you have to do something about it.

When your exemptions complicate the issue so much that you really do not know which way you are going, left or right, you had better do something about it. When you look at what we have in terms of our exports, every export in this country is penalized because of the current manufacturers' sales tax. The rate is somewhere perhaps between 1 per cent and 3 per cent. People say: "Well, if you are only penalizing your exports by 1 per cent or 3 per cent, what is that?" That represents something between 10 and 30 per cent of the total profit that the exporters are dealing with. That is another reason why you have to get rid of the manufacturers' sales tax.

There is a company in Guelph that operates a manufacturing section as well as an import section. The president of that corporation says to me: "Why would you continue with the current system? All you do is penalize me for manufacturing in Canada, because when I move to import things, I do not have to charge on that price for the sales tax, my distribution system, my importing system, and all those things. It is easier for me to import than it is to manufacture, so we have got to get rid of the manufacturers' sales tax."

Most people in this House have said over the past few days that they would like to get rid of the manufacturers' sales tax. We have had it for 64 years and we all recognize it is doing us damage. We have had the royal commissions and we have had statements by governments over the last 40 years about it but we have not done anything. How long do we go on putting something off that decreases the fundamental thing we need in Canada, namely, being competitive?

That is the thrust of most of the things that this government has tried to do. We are taking one more step in getting rid of those things that get in the way of making Canada a truly competitive trading nation. From all the things that were said during the free trade debate and those things that have been said in this House over the last several days we must enhance our trading position or we will not have the things that Canadians want.

We have got to get rid of the manufacturers' sales tax. No one questions that now, not even the members of the opposition but that is where the agreement stops. They would like something different. They say it is a tax that other people do not have.

Ms. Clancy: We did not say we didn't have it; we said we didn't want it.

Mr. Winegard: There are 49 other countries in the world that have this goods and services tax. If this is such a terribly regressive tax why do those other countries manage to do quite well with it?

I heard one of my colleagues on the other side of the House talk about tourism and how bad it is for tourism. You had better tell some of the countries in Europe that. Obviously they do not understand it because their tourism is doing quite well and they all have the goods and services tax. There are 49 other countries, Mr. Speaker, with this tax.

Ms. Clancy: And there are riots in Britain, riots in the streets.

Mr. Winegard: I have heard some of my colleagues on the other side say: "Whack it to them in income tax." They do not understand how much income tax would have to go up if that were done. That would again drive people out of this country, the people who are trying to put their money in to make the country go. I hear them say: "Oh, well, if you would tax the corporations more! Why do you not sock it to the corporations more?" We have done a lot of that over the last several years.

You heard the Minister of State for Finance talking today about the things we have done in terms of removing some of the tax loopholes which were used by corporations. We will continue to look at all those things.

What some of the opposition members really want is to sock the corporations so that they become uncompetitive with the rest of the world.

Mr. Fisher: Tax the poor!

Mr. Winegard: That makes no sense. They want to drive the wealth-makers out. They do not understand how you create wealth. You create wealth by having corporations do new things, make new products and bring more funding into Canada. They do not understand that. All they understand is killing the corporations because they are nice things to attack. Corporations are not really people so you attack the corporations. If we drive the corporations out of Canada then we will not have the wealth that we all want, to have a Canada such as we really want.

I have heard that they want to talk about capital gains. Let's hit all those capital gains. What this government has done is put a limit on capital gains. It has also changed the rate at which capital gains are charged in terms of tax remittance. I do not think we should go any further. If you do not allow people who want to take a risk with their money to have some benefit from that, then you are not going to have the risk-takers in Canada. You will have the people who want to sit on their hands and clip their coupons and that is not going to do us any good. You have to have risk-takers. You do not have risk-takers if you don't let them keep something of what they take the risk for. But no. I know all my colleagues want to share the wealth—I know whose wealth they want to share. They want to share the wealth of the risk-takers and yet they do not want to take the risk themselves.

I have heard about this tax being regressive and terrible. A GST that exempts basic groceries, a GST that exempts residential rents is not a regressive tax when you then give back to the lower-income groups in the form of a tax credit that differential that they are going to have to pay.

• (1820)

One of the things we will do is make sure people apply—

Mr. Fisher: If they apply.

Mr. Winegard: —because we will have the advertising and will put slips in with their Old Age Security envelopes to say: "Please apply to do this". Listen to the beasts when we do. They will say: "You are advertising. You are doing terrible things". We will inform the people of this country about what they need to do to have their tax credit.

Mr. Fisher: So will we.

Mr. Winegard: They are already getting their tax credit and they will get a larger one. So this tax is not, I repeat, not a regressive tax.

Some people tell me that the 13.5 per cent will not come off. They are living in a different world than I am. The competition that is coming from the free trade agreement, the competition coming from Europe '92 will ensure that corporations which do not take it off will not be in business. It will be as simple as that. But we also have the Department of Consumer and Corporate

Affairs doing its very best to ensure that people are notified if the tax does not come off.

Ms. Clancy: John Diefenbaker would not like this tax.

Mr. Winegard: I have spoken to both the President of General Motors and the President of Ford. They can hardly wait until this is law so they can reduce their prices. That is exactly what they want to do, so they can compete better with others.

Mr. Fisher: So they can reduce their costs.

Mr. Winegard: As the Prime Minister said the other day: "We could take the easy way out. We could take the way out that every government has done for years, do nothing." We do not intend to do that. We intend to make Canada a competitive country. This is one more block in our story to do that.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise today to participate in the debate on the amendments that are before us, most of which were put to this House by our finance critic, the member from Gloucester. The hon. member has worked very diligently, not just on behalf of the members of this caucus, but on behalf of all Canadians, in trying to show this government the folly of its ways in this piece of political nonsense called the goods and services tax.

This particular group of amendments that have been put in this piece of legislation should be worthy of considerable debate. They were worthy of considerable debate in the committee studying this piece of legislation.

Once again, I find myself rising and speaking on behalf of over 80 per cent of Canadians. I think it is probably 87 per cent today. We know it is at least 85 per cent. If you take 100 and take the 15 per cent of Canadians who now support the Conservative party, you are left with at least 85 per cent that do not. I would suspect that those 85 per cent have seen the error of the ways of this government and have decided that they can no longer support it no matter where they live in this country because of the government's arrogant fiscal policies it has tried to foist upon the Canadian public.

The debate tonight on these amendments is limited. We know the Canadian public wants to see a full and thorough debate on this piece of legislation. This piece of legislation is singularly the most unpopular piece of legislation ever foisted upon the Canadian public by its own government. It is a crazy piece of legislation. The government will see the next time it goes to the electorate that it will pay the price for not listening to the Canadian public.

In the report stage of this legislation, we have seen the government do what it has done at every stage of debate on this legislation. It has imposed time allocation. This government has imposed time allocation, over and over and over again, for fear that the more opposition members stand up here and speak on behalf of the majority of Canadians, the 85 or 87 per cent that are saying no to this GST, that there will be more members opposite who will wake up and smell the roses, listen to their constituents and do what they are elected to do, namely, to represent the views and interests of their constituents.

We have already seen what happens when you have freedom of thought and free expression on the other side. You get kicked out of certain rooms and certain caucuses to sit by yourself.

I want to submit to you, Mr. Speaker, that this particular piece of legislation that we are debating at report stage today is a piece of legislation that Canadians have decided must not, and will not, go through.

I have travelled this country from coast to coast. On one particular day I stood at the ferry terminal in Dartmouth on the Atlantic Ocean and saw over 2,000 individuals who told me that they wanted me to come to this place and tell this government "no" to this goods and services tax.

That very afternoon I was in the city of Calgary—Tory country. I talked to people in Calgary who had never voted anything but Progressive Conservative in their lives. They told me that they would never, ever, vote—their right arm would fall off before they would vote—for these people opposite because they felt betrayed. They felt betrayed because this government had put a policy in effect or tried to called the goods and services tax, which is completely contrary to their wishes, and what they said was completely contrary to even Tory philosophy.

Later that afternoon I was in downtown Vancouver. There, I stood shoulder to shoulder with Canadians from various parts of British Columbia who were collecting names on a petition, to try to show this government the

folly of its ways, to say no to the goods and services tax, but this government has not yet listened.

Perhaps, Mr. Speaker, after the government picked up the paper today and saw that it is the most unpopular government in the history of this country, it is going to have to start listening to Canadians.

The goods and services tax is not the only bad piece of fiscal policy that this government has tried to foist upon Canadians. This is perhaps the straw that broke the proverbial camel's back. In the last number of years we have seen a government that talked about tax fairness, sacred trust, and social policy over and over again, flip-flop on its positions on fiscal and social policy.

Do not forget, Mr. Speaker, that this is the government that partly de-indexed the old age pensions. I saw the Deputy Prime Minister in the Chamber a few minutes ago. He was the very man who stood up and said that the government supported a strong national railway from coast to coast. These are the very people who have dismembered our national railway from coast to coast in this country. They destroyed the national railway system when they dismembered VIA Rail.

This is the government that talked such a good game about regional development. The Prime Minister made much to do about nothing—now we find out—when he announced $1.05 billion for ACOA. Subsequent to that and subsequent to November, 1988, we saw this government completely withdraw its support and commitment. It is an age-old commitment that governments in Canada have given to regional development.

We have seen a government which has mismanaged not just the fisheries— I get up all the time, as do my colleagues, trying to shake some sense into those people opposite about the fisheries—but it has also mismanaged its agricultural sector into a state of complete chaos and collapse.

This is the government that talked about how consensus-building could work. This is the very government that went and told the poorest provinces of this country that they could not get what it expected from Established Programs Financing; the very funds that provinces like Nova Scotia, Saskatchewan, New Brunswick, Newfoundland and Prince Edward Island rely on for their national standards; for post-secondary educational institutions and health care. This is the government that did that.

This is the government that in the last budget lost all sense of propriety and withdrew funding that subsequently shut down women's centres from coast to coast in this country. This is the very government that used to have its Minister of State for Indian and Northern Affairs stand up and talk about all the wonderful things it was doing for aboriginal communities. Yet in this budget it cut the very funding for Native Friendship Centres from coast to coast.

Mrs. Campbell (South West Nova): And newspapers.

Mr. MacDonald (Dartmouth): This is the government that has come forward and devastated veterans programs. There is nothing sacred any more. Everybody and every group is a target. This government does not know where to stop in its crazy pursuit of trying to get hold of its fiscal house because it does not know where it is heading and it does not know where it is coming from.

These are the very people that were telling seniors: "No, you are not the senior veterans who need those special programs for veterans affairs to help with their cleaning in the house". It is telling them now: "You must bear a disproportionate share of the burden that we have created as a Conservative government when we doubled your national debt between 1984 and 1989".

• (1830)

This is the very government that said it had a spending commitment, a spending priority, and that the funds were committed for a national system of child care from coast to coast in the country. The day after the electorate put its faith in this government, it flip-flopped and decided that it was not going to have a national child care program.

This is the government that went in 1984 to the Canadian electorate and said to those men and women who serve and have served this country greatly in international defence forces that it supported the national armed forces of the country and that it recognized the commitment of those men and women. The government came into this Chamber with a White Paper on defence and, as soon as the electorate got suckered into giving it

another term in office, it completely gutted the White Paper. It closed bases from coast to coast.

Not only that, but how many times in debate did we hear about the *Polar 8* ice-breaker? It was on, and then it was changed. Then it was modified, and then it was put off. Not even the protestations of the member for Capilano—Howe Sound, who is the Associate Minister of National Defence, and the tears she could cry, could show the government the error of its ways. It cancelled that program as well.

On 33 occasions the government has come into this place and raised taxes for Canadians. It came in with a goods and services tax that it pretends is going to be revenue neutral. It pretends it is going to be simple. It pretends it is going to be fair. It pretends it is going to be single tiered.

The Prime Minister, when he is faced with 85 per cent opposition and 15 per cent standing in the polls, shows his typical arrogance in standing in the House, I believe he did it today, and saying: "Well we know that we are doing the right thing. What counts is what the votes are on election day."

What is going to count for the Prime Minister is what he is going to do after the next election outside politics. The Canadian people have placed their trust in this government's capabilities to manage the affairs of the country and to live up to their promises for the last time. The history books will record that the goods and services tax, this regressive tax, this assault on the wallets of the Canadian taxpayers, was the final nail in the coffin of the Mulroney government.

Mr. René Soetens (Ontario): Mr. Speaker, it is a pleasure to participate in the debate today.

The member who just spoke talked about how he was going to talk about all those amendments that members of the Liberal Party has proposed to this legislation so that they could improve it because they did not like it. He talked about everything but, and I guess that is why he is called the member from Dartmouth: because he has used his mouth to dart all over the place but he did not talk about the legislation itself. I find that rather disturbing because I think he should have.

Not only did he not talk about the legislation that is in front of us today, but I listened to other members make their pitches on the legislation. They said what they like about it and what they did not like about it. Again, we have had some very good comments from some members of the House and some comments that are, if I might say, misleading from others.

This morning before I came to Ottawa I met with a group of seniors in my riding. There were about 25 of them. They probably reflect many of the same opinions as many seniors across Canada. They reflected opinions based on information that had been given to them to a degree by people in opposition who chose to give them the wrong information. Therefore, naturally, there are 85 per cent of Canadians opposed to it. I am surprised, with the information out there from those in opposition, that it is not 90 per cent or 95 per cent of Canadians opposed to the legislation.

I watched the debates here in the House. I would like to give you some examples, Mr. Speaker, of some of the things that have been said.

The member for Hamilton West chastised the government because the legislation did not require visibility of the tax. I take it he is not upset with the 7 per cent. He is not upset with all the contents of the tax. He just does not like it because it is not visible. Either he has not read the legislation or he needs an explanation.

I will give him the explanation so that he can very clearly understand what the legislation states. In fact Bill C-62 requires that the vendor—the store or shopkeeper, the business or whoever—must clearly indicate to the purchaser that the tax is included in its price. It must indicate 7 per cent in a sign or some mechanism somewhere in the store or, second, the actual amount of the tax has to be shown. That is in the legislation, and it is exactly opposite to the comments being expressed by that member. What that member wants us to do is: he wants us to go to the small business community, that community that he feels his party supposedly represents, that community that Mr. Bulloch represents, and force all those small businesses, those small mom and pop shops, those people who have small cash registers, to buy new cash register equipment. He wants us to force them to buy new point of sale equipment. He wants us to force them to go to IBM and buy those deluxe computers that really are not necessary because under our system of GST, under the legislation that we have, we are allowing businesses some freedom to indicate to their customers exactly how the tax is being applied.

That is a government that listens. That is a government that cares. That is certainly more than what the Liberals do. The Liberals talks a great show until they get to perform in office, and we know what happened when they performed in office. During election campaigns they say one thing and, lo and behold, after the election campaign is over they are doing exactly the opposite. They govern by public opinion polls. The end result is that we had a $38 billion deficit because they promised everything that every person wanted. They did not care about where the money was coming from.

I am happy to say that I am a member of the government that does care. The essence of visibility is there in the legislation.

The hon. member for Sault Ste. Marie rose in this House and claimed that music lessons would be taxed at 7 per cent. I am not necessarily going to say that he was totally wrong, because if somebody out there somewhere wants to take lessons on how to play the spoons or a washboard, yes, those things will probably be taxed. If you want to take formalized lessons, if you want to take lessons as part of a conservatory of music, things that lead to various grade levels of education in music, all those lessons are tax exempt. Did the member say that?

In my constituency there are not many people taking lessons on how to play the spoons or the washboard or some other beautiful instrument that the hon. member thinks is taxable, but I have an awful lot of constituents, whether they be children or adults, who are taking those conservatory music lessons, and they will not be taxed. That is not what the member for Sault Ste. Marie said.

This morning in my meeting with the seniors in my riding they talked about the tax on cable TV companies. They have been told that the tax on the cable TV fees is going up 7 per cent. Yes, there will be a 7 per cent GST levied on cable TV bills. I note that the same member for Sault Ste. Marie made comment about the fact that cable TV services will be going up 7 per cent. What he did not say in his presentation was that the 11 per cent communication tax was being removed. If you want to start making comparisons, I think you have to give all the information.

The fact of the matter is that the information he did not give was that the communication tax was coming off; 11 per cent off and 7 per cent on. In the math that I was taught it tells you that you are 4 per cent better off. In Sault Ste. Marie that might be different.

We had the member for South West Nova carry on with a great presentation. She talked about the federal sales tax, that it is only on some goods. Mr. Speaker, I am sure you know that when you go and buy a head of lettuce in the store, or whether you buy fish that were caught by some fisherman in Newfoundland, some lumber from British Columbia, some agricultural products from people here in Ontario or a car that was produced in Ontario, there are taxes on all those things. The list goes on. She says it is only on some products when literally everything in this country has the federal sales tax. Of course the member for South West Nova did not want to say that. She wanted to ignore that particular comment.

Mr. Thompson: Ignorance is bliss.

Mr. Soetens: The member for Egmont made terrible comments about the poor farmers of this country and how they are going to be hurt by this tax. Again, it is very easy not to use all the information available, which is how members of the opposition operate.

Farmers and all the products of farming and fishing as a matter of fact have been zero rated. They will get back the taxes that are applied in the cost of their production. We have listened to farmers and their concern about cash flow. We have put in place a system whereby they can get a listed exemption and not have to pay the tax on those listed items. We listen to farmers. That is more than this group to the left is doing. All it does is talk, talk, talk. It certainly does not listen to farmers.

• (1840)

I had the same experience this morning when senior citizens said: "Our phone bills are going up. You are now going to tax us more on our phone bills". Yes, the GST will apply on the phone bill, but the 11 per cent communications tax will not apply on the long distance charges. That tax is being removed.

There are a whole bunch of things which the opposition members choose not to share with the consumers at large. This will be good for them.

I would have thought that some members would have put some positive amendments, like the hon. member from Mississauga did. He put some amendments dealing with horse racing and the various agricultural communities affected by that. Where are these members and why are they not speaking about how good that amendment is? We are going to assist some 80,000 people involved in the horse racing and horse side of the agricultural

business. Why are they not saying that that is a good amendment and that they are going to vote for it? No, they are not here talking about that either. All they are talking about is the negatives.

Another amendment that they could be talking about is the one that I have put, Motion No. 88, which talks about confectionery products and how we are trying to make the tax fairer. I put that amendment because I think it would be fairer for that particular sector of the economy.

Did opposition members put any of those amendments? Is there some sector of the economy that they are particularly concerned about and feel is being negatively affected by the GST? Where are their amendments? Their attitude is just to cancel the GST. We know the FST is falling apart, so what is left? Well I guess the deficit goes up.

That is the Liberal attitude on everything. The last time that party was in office, it took the deficit from zero to $38 billion. That is the way it operates. If it had another chance, I would hazard to say it would take it from its current $28 billion—and fortunately by the time it gets a chance we will have it down to $15 billion—and run it right back up again.

I am happy to say that I am here in support of this legislation. I am a member of a government which has some policies, which has a direction, which has the interests of the Canadian people at heart, and which is making decisions which need to be made, unlike the government that preceded us which did not make any decisions that needed to be made. That government just made decisions which were popular.

Popular decisions are good at certain times of the year, until you have a $38 billion deficit. Even at that point, that government was not prepared to deal with that decision.

I do not have any problem supporting this legislation. I do not have any problem supporting some of the amendments because they are wise, but unfortunately opposition members chose not to put any amendments that would enhance the legislation. They simply put amendments which in their minds would cancel it. They do not suggest what else would happen.

I take it that my time is up, Mr. Speaker. I could go on. I am sure I have convinced—

The Acting Speaker (Mr. Paproski): The hon. member of Okanagan—Shuswap.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I understand my comments are limited to two minutes because of a time restriction. Is that correct?

The Acting Speaker (Mr. Paproski): Two minutes.

Mr. MacWilliam: Jean Colbert, a 17th century French statesman, once said that the art of taxation consists of plucking the goose so as to obtain the most feathers with the least amount of hissing.

While this and previous governments have returned again and again to pluck yet a few more feathers, our Canadian goose has traditionally protested little. It would honk about and flap a little bit just to let the government know that it would not be taken for granted, but the protest was generally short-lived and soon forgotten, until now.

The government's proposed goods and services tax has changed all of that. The requisite honks of protest from our Canadian goose have turned into a terrified squall as it fights being throttled in the process of being plucked.

There is a fundamental change taking place across this land in response to this Tory tax tragedy. People from St. John's to Victoria are telling this government that enough is enough. They are angry and they are ready to take action. They are no longer willing to roll over and submit quietly to this government's repeated assaults upon Canadians.

In my very limited time I do not intend to stand here under any illusions that my brief comments will change this—

Mr. Speaker: It being 6.45 p.m., pursuant to the order made in accordance with the provisions of Standing Order 78, on Thursday, April 5, 1990, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the report stage of the bill now before the House.

The question is on Motion No. 90.

Is the House ready for the question?

Mr. Gauthier: Mr. Speaker, I rise on a point of order. I would like to ask, Mr. Speaker, why you are only reading Motion No. 90. I think there are other motions previous to this that were on debate at this time and which could be put to the House. Motion No. 90 covers a whole series of others as a result of a decision made by the House some days ago.

Mr. Speaker: The reason is that in the ruling that was given earlier a vote on Motion No. 90 applies to Motion Nos. 1 to 11, 31 to 36, 39 to 55 and 57 to 85.

The hon. member for Ottawa—Vanier.

Mr. Gauthier: I am not questioning the Speaker's reasons. I take it that members will be asked to pronounce themselves on Motion Nos. 1 to 11, 31 to 36, 39 to 55, 57 to 85 and 90, which are grouped for debate. A vote on No. 90 applies to these previously mentioned motions.

I did not hear the Speaker putting those motions in debate as of now. I am asking why is it only Motion No. 90 is before the House rather than the grouping that I just referred to. That is my point.

Mr. Speaker: The hon. member will of course want to know that I have considered what he said.

All those other motions were moved and put to the House. I think if the hon. member goes back and looks at the ruling that the Speaker made he will see that the ruling was clear and that Motion No. 90 would cover all those when it came time to vote. I do not think at the moment that it is necessary for the Chair to put all those motions again.

Mr. Gauthier: Mr. Speaker, my difficulty, and one that all members in this House have at this time, is that there is no doubt that the motions were put for debate and that Motion No. 90 was in front of the House. I do not quarrel with that. I have your decision on Bill C-62, Mr. Speaker. There are 90 motions and amendments set down on the Notice Paper and I could go on and read it.

I am trying to draw attention to the fact that there is only a need now to put all those motions that are indeed before the House. I can go back, and I will get my research staff to send me the precedents. I have them. I thought that every motion would be put at this time, Motion Nos. 1 to 90, including the groupings, and then the only question before the House at that time would be on Motion No. 90. All the other motions have to be put. Otherwise, it is not in my view a procedure that I can understand.

• (1850)

We debated that, but now the question is being put on those. That is a different matter all together. Debate is followed by questions on the usual procedure before the House.

Mr. Speaker: I have consulted with table officers, and I think that my original view is correct.

The fact of the matter is that if one takes a look at the ruling, as well as the practice, one will see the appropriate thing to do now is to put Motion No. 90 to the House. That may or may not be deferred, but it is not appropriate now to redo what has, in effect, already been done.

I think in view of the fact that there has been a question of order raised I should ask the question again.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 12.

That Bill C-62 be amended in Clause 12 by striking out lines 4 to 27 at page 9.

Mr. Milliken: Mr. Speaker, on a point of order. You are putting the other motions to the House, Motions No. 14, 15 and 16 since they are grouped for debate. Is that correct?

Some Hon. Members: He is on Motion No. 12.

Mr. Speaker: Perhaps I can help the hon. member.

I read: Mr. Nystrom moved:

Motion No. 12.

That Bill C-62 be amended in Clause 12 by striking out lines 4 to 27 at page 9.

Mr. Gauthier: Mr. Speaker, to avoid confusion could we have Standing Order 65 apply tonight, and every time you put the motion in English we could have it also in French. The people would find it easier to follow, and all of us would understand what we are doing.

[*Translation*]

Mr. Speaker: I have no objection to the hon. member's suggestion.

[*English*]

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed to the motion will please nay.

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 13.

That Bill C-62 be amended in Clause 12 by striking out lines 24 and 25 at page 18.

[*English*]

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed to the motion will please say nay.

Some Hon. Members: Nay.

Mr. Speaker: This time, in my opinion, the nays have it.

And more than five members having risen:

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 14.

That Bill C-62 be amended in Clause 12 by striking out lines 40 to 45 at page 45, lines 1 to 49 at page 46 and lines 1 to 24 at page 47.

[*English*]

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed to the motion will please say nay.

Some Hon. Members: Nay.

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

And more than five members having risen:

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 15.

That Bill C-62 be amended in Clause 12 by striking out lines 25 to 45 at page 47 and lines 1 to 7 at page 48.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division proposed on the motion stands deferred.

• (1900)

[*English*]

Motion No. 16.

Mr. Nystrom: Mr. Speaker, the seconder for Motion No. 16 is Mr. Karpoff. He has a particular interest in that motion.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 16.

That Bill C-62 be amended in Clause 12 by striking out lines 8 to 17 at page 48.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8) the motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 17.

That Bill C-62 be amended in Clause 12 by striking out line 19 at page 65 and substituting the following therefor:

"equal to 0.1 percent of the value of the consider-"

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 20

That Bill C-62 be amended in Clause 12 by striking out line 22 at page 128 and substituting the following therefor:

"Canada a tax equal to 0.1 percent of the value of".

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 18

That Bill C-62 be amended in Clause 12 by striking out lines 15 to 43 at page 70, lines 1 to 46 at page 71 and lines 1 to 10 at page 72.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 21

That Bill C-62 be amended in clause 12 by striking out lines 40 and 41 at page 131 and lines 1 to 45 at page 132.

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

Mr. Hawkes: Mr. Speaker, we have a long evening ahead of us and I am afraid your voice may not last with all of this reading. Voters may not know that every member in this Chamber has all of these motions, in both languages, sitting on their desks and they can read them for themselves.

I am wondering, because the House of Commons costs about $250,000 an hour to run, whether or not they would like to save the taxpayers of the country about $250,000 and simply let you read the motions and let us vote on the motions without going through the kind of detail that does not add much to the understanding.

Mr. Riis: Mr. Speaker, it is an interesting proposal of my hon. friend, but if he had the real concern of the taxpayers of Canada at heart he would withdraw the legislation and we could close this down right now.

• (1910)

Mr. Speaker: I must say to the hon. member for Calgary West that the hon. member for Ottawa—Vanier has invoked the order and, unless there is consent to dispense, I am bound to follow it.

Mr. Hawkes: On a point of order, I want to assure you that from the government members you have that consent.

Mr. Speaker: I want to assure the hon. member for Calgary West that I was quite sure of that. The hon. member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, we could go on with this debate but I think we started at 6.45 tonight and if we proceed as we are doing, pretty well, we might get through this evening early. But if the Whip and government members start rising on this kind of superfluous points of debate, then we may get into it.

The fact is they were thoroughly confused. As a matter of fact, they voted for our amendments at the beginning. They said "yes", Mr. Speaker, to a whole series of our amendments and I think they should get their act together.

Mr. Speaker: I think both sides and the Speaker probably have got our act together now. What was put forward by the hon. member for Calgary West was a suggestion. It is not the first time suggestions have been put forward during votes in order to hurry them along but without consent your Speaker is bound by the rule which has been quite properly invoked.

[*Translation*]

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 22

That Bill C-62 be amended in Clause 12 by striking out lines 27 to 43 at page 134, lines 1 to 46 at page 135 and lines 1 to 7 at page 136.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Bob Horner (Mississauga West) moved:

Motion No. 23

That Bill C-62 be amended in Clause 12

(a) by striking out line 8 at page 139 and substituting the following therefor:

"Division VI,"

(b) in the French version by striking out lines 33 to 35 at page 139 and substituting the following therefor:

"VI, le ministre est réputé, pour l'application de cette section, lui avoir versé à ce moment un"

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 24

That Bill C-62 be amended in Clause 12 by striking out lines 24 to 48 at page 146.

[*English*]

Mr. Speaker: I want to bring to the attention of hon. members that there is a certain amount of exchange of opinions across the Chamber.

An Hon. Member: Insults would be a better word.

Mr. Speaker: Well, I heard one member say that "insults" would be a better word. I would not want to pursue it but I do point out to hon. members that while this ordinary exchange is taking place without members having the floor, they may be drowning out for the public the very important matters that the Speaker is reading to the House.

[*Translation*]

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76 (8), the recorded division on the motion stands deferred.

[*English*]

Mr. Bob Horner (Mississauga West): Mr. Speaker, I rise on a point of order. This amendment was put by me and there is slight error in line 2 on page 1990. In the French version I would like to change the word *"d'une"*, where it says *"dans le cadre d'une activité"* to *"de son activité"*. I would ask for the permission of the House to make that change.

Some Hon. Members: No.

• (1920)

Mr. Speaker: I regret to advise the hon. member that there is not consent.

The hon. member on the same point of order.

Mr. Horner: Mr. Speaker, I wonder if you could advise me who did not give consent. I have always supported, through statements in this House, the linguistic duality of this House. Since my mother tongue is English, I would only ask that my mother tongue be given precedence and that the necessary amendments be made later on.

Mr. Speaker: It is up to the House whether or not the House will accept the changes the hon. member has asked for.

The hon. member for Ottawa-Vanier.

Mr. Gauthier: Mr. Speaker, if the hon. member from Mississauga wants to explain to the House and if the House wants to revert back to debate and indeed debate Motion No. 19, we would be more than pleased to hear him out. But unless there is a special procedure at hand here, I cannot see how one could amend a bad bill. Withdraw the motion. Withdraw the bill.

Mr. Angus: Mr. Speaker, I would like to follow on the comments of the House Leader for the Official Opposition and suggest that we, too, would be willing to reopen debate, as long as it is debate on this clause and every other clause. But this is a bad bill and we will not accept any amendments whatsoever.

Mr. Speaker: Well, in the interests of the public who may be wondering what we are doing here, I just want to advise that we have considered the wording *en français "dans le cadre d'une activité commerciale"* against the suggested change, *"dans le cadre de son activité"*. I have taken some advice on it and I do not think it is going to make any significant difference in the law.

[*Translation*]

Mr. Bob Horner (Mississauga West) moved:

Motion No. 19

That Bill C-62 be amended in Clause 12

(a) by striking out lines 20 to 39 at page 95 and lines 1 to 32 at page 96 and substituting the following therefor:

"188. (1) Where a commercial activity of a registrant (other than a registrant to whom subsection (5) applies) consists of taking bets or conducting games of chance and, in the course of that activity, the registrant pays an amount of money in a reporting period as a prize or winnings to a bettor or a person playing or participating in the games, for the purpose of determining an input tax credit of the registrant, the registrant shall be deemed to have received in the reporting period a taxable supply of a service for use exclusively in the activity and to have paid, in that period, tax in respect of the supply equal to the tax fraction of the amount of money paid as the prize or winnings.

(2) Where, in the course of an activity that involves the organization, promotion, hosting or other staging of a competitive event, a person gives a prize to a competitor in the event,

(a) the giving of the prize shall be deemed, for the purposes of this Part, not to be a supply;

(b) the prize shall be deemed, for the purposes of this Part, not to be consideration for a supply by the competitor to the person; and

(c) tax payable by the person in respect of any property given as the prize shall not be included in determining any input tax credit of the person for any reporting period."

(b) by adding, immediately after line 45 at page 96, the following:

"(5) Where a registrant who is a prescribed registrant throughout a reporting period makes taxable supplies of rights to play or participate in games of chance, the following rules apply:

(a) the registrant may claim an input tax credit for the period equal to the amount, if any, by which

(i) the total tax (other than tax that the registrant is deemed under this Part to have collected) in respect of all supplies made by the registrant that became collectible in the period

exceeds

(ii) 7 percent of the total of all amounts each of which is

(A) consideration that became due in the period, or that was paid in the period without becoming due, for a supply of property or a service made to the registrant, or

(B) an amount (other than consideration included in clause (A) in any reporting period) paid in the period by the registrant to or for the benefit of a person where the amount is or would be, if the person were resident in Canada, required under section 6 of the *itIncome Tax Act*ro to be included in the income of that person from an office or employment;

(b) tax that became payable, or that was paid without becoming payable, in the period by the registrant in respect of supplies made to the registrant shall not be included in determining any rebate under section 259 or any input tax credit (other than an input tax credit determined under section 193) of the registrant for any reporting period during which the registrant is a prescribed registrant;

(c) any property or service acquired in the period by the registrant shall be deemed to have been acquired for use exclusively in activities other than commercial activities of the registrant; and

(d) the registrant shall be deemed not to increase, in any reporting period during which the registrant is a prescribed registrant, the extent to which any capital property of the registrant is used in commercial activities of the registrant."

Motion No. 86

That Bill C-62 be amended in the Schedule by striking out section 5 at page 323 and substituting the following therefor:

"5. A supply made by a public sector body of an admission in respect of a place of amusement at which the principal activity is the placing of bets or the playing of games of chance, where

(a) the administrative functions and other functions performed in operating the game and taking the bets are performed exclusively by volunteers; and

(b) in the case of a bingo or casino, the the game is not conducted in premises or at a place, including any temporary structure, that is used primarily for the purposes of conducting gambling activities.

5.1. A supply made by a charity or non-profit organization (other than a prescribed person) of a right to play or participate in a game of chance (other than a prescribed game of chance).

5.2. A supply of a service that is deemed under section 187 of the Act to have been supplied

(a) by a charity or non-profit organization (other than a prescribed person); or

(b) where the service is in respect of a bet made through the agency of a pari-mutuel system on a running, trotting or pacing horse-race."

Mr. Speaker: In accordance with the previous ruling, Motions Nos. 19 and 86 are grouped together for the purpose of debate. The vote on Motion No. 19 will also apply to Motion No. 86.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 25

That Bill C-62 be amended in Clause 12 by striking out lines 30 to 41 at page 148 and lines 1 to 29 at page 149.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

• (1940)

[*English*]

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 26.

That Bill C-62 be amended in Clause 12 by striking out lines 22 to 40 at page 152, lines 1 to 48 at page 153, lines 1 to 45 at page 154, lines 1 to 47 at page 155, lines 1 to 44 at page 156, lines 1 to 46 at page 157, lines 1 to 48 at page 158 and lines 1 to 30 at page 159.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8) the recorded division on the motion stands deferred.

[*Translation*]

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 27

That Bill C-62 be amended in Clause 12 by striking out lines 31 to 45 at page 159, lines 1 to 45 at page 160, lines 1 to 48 at page 161 and lines 1 to 14 at page 162.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 28

That Bill C-62 be amended in Clause 12 by striking out lines 1 to 40 at page 193, lines 1 to 49 at page 194, lines 1 to 47 at page 195 and lines 1 to 4 at page 196.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 29

That Bill C-62, be amended in Clause 12 by striking out lines 5 to 42 at page 196, lines 1 to 48 at page 197, lines 1 to 45 at page 198, lines 1 to 47 at page 199 and lines 1 to 34 at page 200.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Douglas Young (Gloucester) moved:

Motion No. 30.

That Bill C-62, be amended by deleting Clause 12.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*English*]

Mr. Crosby: Mr. Speaker, I rise on a point of order. In the absence of the member for Mississauga, may I move the motion on his behalf?

Some Hon. Members: No.

• (1950)

Mr. Shields: Mr. Speaker, I rise on a point of order. As we all know in the House, our pages are first-year university students and they are in the middle of their exam week. I wonder if the House would be so disposed to allow our pages to go home so that they can keep up with their studies?

Mr. Speaker: The House has heard the suggestion, is there consent?

Mr. Riis: Mr. Speaker, the suggestion was certainly made in the right spirit. Perhaps we could hold off making a decision until we have some consultations. There is some question that perhaps there would be a need for one or two of the pages. I am sure we can come to some accommodation.

Mr. Speaker: After some consultation has taken place, perhaps the House could advise the Speaker.

[*Translation*]

Mr. Bob Horner (Mississauga West) moved:

Motion No. 37

That Bill C-62 be amended in Clause 19

(a) by striking out lines 1 to 5 at page 278

(b) by striking out line 1 at page 285 and substituting the following therefor:

"36. This Part shall come into force".

[*English*]

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

Mr. Speaker: All those opposed to the motion will please say nay.

Some Hon. Members: Nay.

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

Agreed on division?

Some Hon. Members: No.

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

[*Translation*]

Mr. Douglas Young (Gloucester) moved:

That Bill C-62 be amended by deleting Clause 19.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

Mr. Douglas Young (Gloucester) moved:

Motion No. 56

That Bill C-62 be amended by deleting Clause 37.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8) the recorded division on the motion stands deferred.

Mr. René Soetens (Ontario) moved:

Motion No. 88

That Bill C-62 be amended in the Schedule by striking out the last line of paragraph (e) in section 1 at page 332 and substituting the following therefor:

"Molasses, sugar, syrup or artifial sweeteners but not including chocolate confectionery bars in family size packages which contain more than five single servings;"

[*English*]

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

Some Hon. Members: On division.

Mr. Speaker: Negatived on division.

Motion No. 88 negatived.

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

Mr. Riis: Mr. Speaker, I seek clarification on Motion No. 88. Did the government vote against that motion?

Mr. Speaker: The ruling is that the motion was negatived on division.

Mr. Riis: On another point of order, Mr. Speaker. In terms of the pages, I think we are all appreciative of the fact that it is pre-exam period. I wonder, Mr. Speaker, if there would not be a disposition of the House to give unanimous consent to enable the Chief Page to negotiate with the pages and to keep only a bare skeleton staff on tonight to serve the members.

Mr. Speaker: A few minutes ago the hon. member for Athabasca suggested that the pages leave. There was a suggestion from the hon. member for Kamloops that some discussion take place. The hon. member for Kamloops has made a suggestion. Does it meet with the wishes of the House?

Mr. Andre: Mr. Speaker, there has not been any discussion. We stand by the original suggestion that all the pages be allowed to go.

Mr. Speaker: Is there agreement?

Some Hon. Members: Agreed.

Mr. Speaker: So ordered, and with our thanks.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Speaker: The next group includes Motions Nos. 87 and 89 which will be voted on separately.

Mr. Lorne Nystrom (Yorkton—Melville) moved:

Motion No. 87

That Bill C-62 be amended in the Schedule by striking out the last line of paragraph (a) in section 26 at page 327 and substituting the following therefor:

"affiliated with the organization, or any Member thereof, or"

• (2000)

[*English*]

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

[*Translation*]

Mr. Douglas Young (Gloucester) moved:

Motion N° 89

That Bill C-62 be amended by deleting the Schedule.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five Members having risen:

Mr. Speaker: Pursuant to Standing Order 76(8), the recorded division on the proposed motion stands deferred.

[*English*]

I think at this point it might be helpful to explain to members and to the public that I will presently be calling in the members to vote. This is a matter of explanation only. There will be a 15 minute bell. Following that there will be votes on all the motions which I have been putting to the House and when that is concluded there will, of course, be one further vote and there may be a bell at that time and that will end the proceedings.

I am obligated to read the following to the House.

[*Translation*]

The House will now proceed to the deferred recorded divisions on the report stage of the Bill now before the House.

(Division No. 218)

YEAS

Members

Allmand
Anawak
Arseneault
Althouse
Angus
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Black
Blondin
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
Maheu
Marchi
McCurdy
McLaughlin
Milliken
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—105
Baker
Bellemare
Bevilacqua
Blackburn (Brant)
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kindy
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
Marleau
McGuire
Mifflin
Mills
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Rompkey
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker
Young (Gloucester)

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Clifford
Cook
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Dorin
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Couture
Darling
de Cotret
Desjardins
Dobbie
Duplessis

Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Mulroney
Oberle
Plamondon
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Nicholson
O'Kurley
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Worthy—143

• (2030)

[*English*]

Mr. Speaker: I declare the motion lost.

Accordingly Motions Nos. 1 to 11 inclusively, 31 to 36 inclusively, 39 to 55 inclusively, and 57 to 85 inclusively are lost.

[*Translation*]

The next question is on Motion No. 12.

The House divided on the motion (Mr. Nystrom), which was negatived on the following division:

(*Division No. 219*)

YEAS

Members

Allmand
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Althouse
Angus
Assad
Baker
Bellemare
Benjamin
Black
Blondin
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
Maheu
Marchi
McCurdy
McLaughlin
Milliken
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—103
Bevilacqua
Blackburn (Brant)
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
Marleau
McGuire
Mifflin
Mills
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Rompkey
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker
Young (Gloucester)

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Clifford
Cook
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Couture
Darling
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz

Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Mulroney
Oberle
Plamondon
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Assiniboia)
Worthy—144

Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Nicholson
O'Kurley
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—
Winegard

• (2040)

[*English*]

Mr. Speaker: I declare the motion lost.

• (2050)

The next question is on Motion No. 13 standing in the name of the hon. member for Yorkton-Melville.

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

(*Division No. 220*)

YEAS

Members

Allmand
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Black
Blondin
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall

Althouse
Angus
Assad
Baker
Bellemare
Bevilacqua
Blackburn (Brant)
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne

Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
Maheu
Marchi
McCurdy
McLaughlin
Milliken
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—105

Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
Marleau
McGuire
Mifflin
Mills
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Rompkey
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker
Young (Gloucester)

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Blackburn (Jonquière)
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cook
Couture
Darling
de Cotret
Desjardins
Dobbie
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hudon
James
Johnson
Kempling

Andre
Attewell
Bernier
Bjornson
Blais
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Cole
Corbeil
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hughes
Jelinek
Joncas
Koury

Landry	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
Mazankowski	McCreath
McDougall (St. Paul's)	McKnight
McLean	Merrithew
Mitges	Monteith
Mulroney	Nicholson
Oberle	O'Kurley
Plamondon	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thompson
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van de Walle	Vézina
Vincent	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard	Worthy—130

Mr. Speaker: I declare the motion lost.

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

There is a long-standing tradition in the House that when a vote is being taken, members remain in their seats. I have been observing members from all sides of the House, but in particular on the government side, moving out. The member for Mississauga South moved out after being approached by the Deputy Whip.

An Hon. Member: That is right.

Mr. Gauthier: Maybe it was an emergency, but I wish members would not move around until we actually see what is going to happen around here. Stay in your places.

An Hon. Member: Wait until the vote and then go to the bathroom.

Mr. Riis: Mr. Speaker, I want to support my hon. friend's intervention. It became particularly problematic when the chairman of the finance committee left. It is obviously a reflection of how he plans to vote in the future. That is an encouraging sign.

Mr. Hawkes: Mr. Speaker, I want to assure the House that none of the members who moved, moved before the vote was counted. Or, if they did move—

Some Hon. Members: Oh, oh!

Mr. Hawkes: Other members moved at the conclusion of the previous vote and did not vote in the division just taken. It is unlike the behaviour of the opposition, where two New Democrats voted twice in the House on a single division not too long ago and members on that side came in after the motion and voted anyway.

Some Hon. Members: Oh, oh!

Mr. Speaker: Is the hon. member rising on the same point?

Mr. Boudria: Mr. Speaker, the member for Calgary North clearly left the House before the vote was announced by you. All members saw it. There are a number of others. I must challenge what the member across said because it is simply inaccurate.

Mr. Speaker: Could I have the attention of the House?

Beauchesne's *Parliamentary Rules and Forms,* fifth Edition, citation No. 223, paragraph 2, states very clearly:

> A Member must be in his own seat should he wish to vote and should remain in his seat until the division is complete and the result announced.

I point out that that is a long-standing rule. There is no question about it. It is not for the Chair to intervene unless a point of order has been called. A point of order has been called. There is a reason for the rule. We are in a series of votes, but even if it was only one vote, the rule is to avoid confusion and to add to the efficacy of a democratic vote in this Chamber. I would ask all hon. members to co-operate.

Some Hon. Members: Hear, hear!

The next question is on Motion No. 14 standing in the name of hon. member for Yorkton—Melville.

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

(*Division No. 221*)

YEAS

Members

Althouse	Angus
Axworthy (Saskatoon—Clark's Crossing)	Benjamin
Black	Blackburn (Brant)
Brewin	Butland
Edmonston	Fisher
Fulton	Funk
Gardiner	Harvey (Edmonton East)
Hovdebo	Hunter
Karpoff	Kristiansen
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Laporte	MacWilliam

McCurdy
Murphy
Parker
Robinson
Samson
Skelly (Comox—Alberni)
Taylor
Whittaker
McLaughlin
Nystrom
Riis
Rodriguez
Skelly (North Island—Powell River)
Stupich
Waddell
Young (Beaches—Woodbine)—38

NAYS

Members

Anderson
Atkinson
Belsher
Bjornson
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cooper
Couture
Darling
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hughes
Jelinek
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Turner (Halton—Peel)
Van de Walle
Vincent
Wilbee
Assiniboia)
Worthy—128
Andre
Attewell
Bertrand
Blackburn (Jonquière)
Bouchard (Roberval)
Bourgault
Brightwell
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Cole
Corbeil
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hudon
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Mulroney
Oberle
Plamondon
Pronovost
Reid
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Valcourt
Vézina
White
Wilson (Swift Current—Maple Creek—
Winegard

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 15 standing in the name of the hon. member for Yorkton-Melville.

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

(Division No. 222)

YEAS

Members

Allmand
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Black
Blondin
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
Marleau
McGuire
Mifflin
Mills
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Skelly (North Island—Powell River)
Speller
Stupich
Vanclief
Wappel
Wood
Young (Beaches—Woodbine)—99
Althouse
Angus
Assad
Bélair
Bevilacqua
Blackburn (Brant)
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
Maheu
Marchi
McCurdy
McLaughlin
Milliken
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Skelly (Comox—Alberni)
Stewart
Tobin
Waddell
Whittaker
Young (Gloucester)

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)

Bouchard (Lac-Saint-Jean)
Boyer
Browes
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Couture
Darling
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hughes
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Mulroney
Oberle
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Bourgault
Brightwell
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Clifford
Cook
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vincent
Wilbee
Worthy—139

Mr. Speaker: I declare the motion lost.

[*Translation*]

The next motion is on Motion No. 16.

The House divided on the motion which was negatived on the following division:

(*Division No. 223*)

YEAS

Members

Allmand
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Bevilacqua
Blondin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
Maheu
Marchi
McCurdy
Mifflin
Mills
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Samson
Skelly (Comox—Alberni)
Stewart
Tobin
Waddell
Whittaker
Young (Gloucester)—93
Althouse
Angus
Assad
Bélair
Benjamin
Blackburn (Brant)
Boudria
Callbeck
Catterall
Comuzzi
Dionne
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
Marleau
McLaughlin
Milliken
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Skelly (North Island—Powell River)
Speller
Taylor
Vanclief
Wappel
Wood

NAYS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Clifford
Cooper
Corbett
Couture
Darling
de Cotret

Della Noce	Desjardins
Dick	Dobbie
Dorin	Duplessis
Edwards	Epp
Fee	Ferland
Fontaine	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Koury
Langlois	Larrivée
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
Mazankowski	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Mitges
Monteith	Nicholson
Oberle	O'Kurley
Plourde	Porter
Redway	Reid
Reimer	Richardson
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Shields	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thompson
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van de Walle	Venne
Vézina	Vien
Vincent	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—132	Winegard

[*English*]

Mr. Speaker: I declare the motion lost.

Mr. Hawkes: Mr. Speaker, I rise on a point of order. We have been waiting patiently for the $1 million mark. At the rate we are taking these votes, if we do not apply some of those completed to future ones, we will be here another four hours at a cost of $1 million to Canadian taxpayers.

Some Hon. Members: Oh, oh!

Mr. Hawkes: I am wondering if we might have unanimous consent to save $1 million.

Some Hon. Members: Withdraw the bill!

Mr. Riis: Mr. Speaker, the government Whip raises a good point, but if he is really concerned about the taxpayers of Canada, the best thing that he could be advised to do is for his government to resign.

Some Hon. Members: Hear, hear!

Mr. Tobin: Mr. Speaker, we want to remind the government Whip that while he has been worried about the cost of democracy, and there is never too high a cost to pay for democracy to allow the people of Canada to be heard, in the six votes that have been taken, this government already has approval for some $8 billion worth of GST and we are not going to say yes to rest of it without a fight.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Speaker: The next motion is on Motion No. 17.

The House divided on the motion which was negatived on the following division:

(*Division No. 224*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Arseneault	Assad
Axworthy (Saskatoon—Clark's Crossing)	Bélair
Bellemare	Benjamin
Bevilacqua	Blackburn (Brant)
Blondin	Boudria
Brewin	Butland
Caccia	Callbeck
Campbell (South West Nova)	Catterall
Clancy	Comuzzi
Dingwall	Dionne
Duhamel	Edmonston
Ferguson	Fisher
Flis	Foster
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Grey (Beaver River)	Guarnieri
Harb	Harvard
Harvey (Edmonton East)	Hopkins
Hovdebo	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Lapierre
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacWilliam
Maheu	Manley
Marleau	McCurdy
McLaughlin	Mifflin
Milliken	Mills
Murphy	Nault
Nystrom	Pagtakhan
Parent	Parker
Peterson	Phinney
Pickard	Proud
Rideout	Riis
Robichaud	Robinson
Rocheleau	Rodriguez
Samson	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Speller
Stewart	Stupich
Taylor	Tobin
Vanclief	Wappel
Whittaker	Wood
Young (Gloucester)—93	

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bernier
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain)	Charest
Clark (Yellowhead)	Clark (Brandon—Souris)
Clifford	Cole
Cook	Cooper
Corbeil	Corbett
Côté	Crosby (Halifax West)
Darling	DeBlois
de Cotret	Della Noce
Desjardins	Dick
Dobbie	Dorin
Duplessis	Edwards
Epp	Fee
Ferland	Fontaine
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Hockin
Hogue	Holtmann
Horning	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Koury
Landry	Langlois
Larrivée	Leblanc (Longueuil)
Lewis	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Masse	Mazankowski
McCreath	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Mitges
Monteith	Nicholson
Oberle	O'Kurley
Plourde	Porter
Pronovost	Redway
Reid	Reimer
Richardson	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Shields
Sobeski	Soetens
Sparrow	Stevenson
Tardif	Thacker
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van de Walle
Venne	Vézina
Vien	Vincent
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Worthy—135

[*English*]

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 20 standing in the name of the hon. member for Yorkton–Melville.

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

(*Division No. 225*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Arseneault	Assad
Bélair	Bellemare
Benjamin	Bevilacqua
Black	Blackburn (Brant)
Blondin	Boudria
Brewin	Butland
Caccia	Callbeck
Catterall	Clancy
Comuzzi	Dingwall
Dionne	Duhamel
Edmonston	Ferguson
Fisher	Flis
Foster	Fulton
Funk	Gaffney
Gagliano	Gardiner
Gauthier	Grey (Beaver River)
Guarnieri	Harb
Harvard	Harvey (Edmonton East)
Hopkins	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kristiansen
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Lapierre	Laporte
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacAulay	MacDonald (Dartmouth)
Maheu	Manley
Marchi	Marleau
McGuire	McLaughlin
Mifflin	Milliken
Mills	Nault
Nunziata	Nystrom
Pagtakhan	Parent
Parker	Peterson
Phinney	Pickard
Proud	Rideout
Riis	Robichaud
Robinson	Rocheleau
Rodriguez	Samson
Skelly (North Island—Powell River)	Speller
Stewart	Stupich
Taylor	Tobin
Vanclief	Waddell
Wappel	Whittaker
Wood	Young (Gloucester)
Young (Beaches—Woodbine)—95	

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bertrand
Bird	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Champagne (Saint-Hyacinthe—Bagot)

Champagne (Champlain)
Clark (Yellowhead)
Clifford
Cooper
Corbett
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hicks
Hogue
Horning
Hughes
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
O'Kurley
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Charest
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Darling
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Oberle
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Worthy—131

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 18 standing in the name of the hon. member for Yorkton-Melville.

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

(Division No. 226)

YEAS

Members

Allmand
Anawak
Arseneault
Bélair
Benjamin
Black
Brewin
Caccia
Catterall
Comuzzi
Althouse
Angus
Assad
Bellemare
Bevilacqua
Blondin
Butland
Callbeck
Clancy
Dingwall
Dionne
Edmonston
Fisher
Fontana
Fulton
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
Manley
McGuire
Mifflin
Mills
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Wood
Young (Beaches—Woodbine)—93
Duhamel
Ferguson
Flis
Foster
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
Maheu
Marchi
McLaughlin
Milliken
Murphy
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Whittaker
Young (Gloucester)

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cardiff
Champagne (Saint-Hyacinthe—Bagot)
Chartrand
Clark (Brandon—Souris)
Cooper
Corbett
Crosby (Halifax West)
DeBlois
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horning
Hughes
James
Johnson
Koury
Langlois
Layton
Lewis
Andre
Attewell
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Chadwick
Charest
Clark (Yellowhead)
Cole
Corbeil
Couture
Darling
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Horner
Hudon
Jacques
Jelinek
Joncas
Landry
Larrivée
Leblanc (Longueuil)
Littlechild

Loiselle
MacDonald (Rosedale)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
Merrithew
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Lopez
MacDougall (Timiskaming)
Marin
Masse
McCreath
McLean
Mitges
Mulroney
Oberle
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Worthy—129

Mr. Speaker: I declare the motion lost.

Ms. McLaughlin: Mr. Speaker, I think there might be a disposition in the House to ensure that all votes are against the GST given that we have just found out that 2,026,533 Canadians cast their vote against the GST this weekend.

Some Hon. Members: Hear, hear!

Mr. Speaker: The next question is on Motion No. 21 standing in the name of the hon. member for Yorkton—Melville.

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

(Division No. 227)

YEAS

Members

Allmand
Anawak
Arseneault
Bellemare
Bevilacqua
Blackburn (Brant)
Boudria
Butland
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
Laporte
Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Black
Blondin
Brewin
Caccia
Catterall
Comuzzi
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacWilliam
Marchi
McLaughlin
Milliken
Nunziata
Pagtakhan
Phinney
Rideout
Robinson
Rodriguez
Skelly (Comox—Alberni)
Stupich
Vanclief
Wood
MacAulay
MacLellan
Maheu
McGuire
Mifflin
Nault
Nystrom
Parker
Pickard
Riis
Rocheleau
Samson
Stewart
Taylor
Whittaker
Young (Beaches—Woodbine)—82

NAYS

Members

Anderson
Attewell
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Clark (Yellowhead)
Clifford
Cook
Corbett
Couture
Darling
de Cotret
Desjardins
Dobbie
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Layton
Lewis
Loiselle
MacDonald (Rosedale)
Marin
Masse
McCreath
McKnight
Merrithew
Mulroney
Oberle
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Sobeski
Sparrow
Thacker
Thorkelson
Tremblay (Québec-Est)
Atkinson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Monteith
Nicholson
O'Kurley
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Soetens
Stevenson
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)

Turner (Halton—Peel) Valcourt
Van de Walle Venne
Vézina Vien
White Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard Worthy—127

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 22 standing in the name of the hon. member for Yorkton—Melville.

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

(Division No. 228)

YEAS

Members

Allmand Althouse
Anawak Angus
Arseneault Axworthy (Saskatoon—Clark's Crossing)
Benjamin Bevilacqua
Black Blondin
Boudria Brewin
Butland Caccia
Callbeck Campbell (South West Nova)
Comuzzi Duhamel
Edmonston Ferguson
Fisher Flis
Fontana Foster
Fulton Funk
Gaffney Gagliano
Gardiner Gauthier
Grey (Beaver River) Guarnieri
Harb Harvard
Harvey (Edmonton East) Hopkins
Hovdebo Hunter
Jordan Karpoff
Keyes Kristiansen
Langdon (Essex—Windsor) Lapierre
Laporte LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth) MacLellan
MacWilliam Maheu
Manley Marchi
Marleau McCurdy
McGuire McLaughlin
Mifflin Milliken
Murphy Nault
Nystrom Pagtakhan
Parker Rideout
Riis Robichaud
Robinson Samson
Stewart Stupich
Taylor Vanclief
Waddell Wappel
Whittaker Wood
Young (Gloucester)—77

NAYS

Members

Anderson Andre
Atkinson Attewell
Belsher Bernier
Bertrand Bird
Bjornson Blackburn (Jonquière)
Blais Blenkarn
Bosley Bouchard (Lac-Saint-Jean)
Brightwell Browes
Cadieux Campbell (Vancouver Centre)
Cardiff Casey
Chadwick Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain) Charest
Chartrand Clark (Brandon—Souris)
Clifford Cole
Cook Cooper
Corbeil Corbett
Côté Couture
Crosby (Halifax West) Darling
DeBlois de Cotret
Della Noce Dick
Dobbie Dorin
Duplessis Edwards
Epp Fee
Ferland Fontaine
Fretz Friesen
Gibeau Greene
Guilbault Halliday
Harvey (Chicoutimi) Hawkes
Hicks Hockin
Hogue Holtmann
Horner Horning
Hudon Hughes
Jacques Jelinek
Johnson Joncas
Kempling Koury
Landry Langlois
Larrivée Layton
Leblanc (Longueuil) Lewis
Littlechild Loiselle
Lopez MacDonald (Rosedale)
MacDougall (Timiskaming) MacKay
Malone Marin
Martin (Lincoln) Masse
Mazankowski McCreath
McDougall (St. Paul's) McKnight
McLean Merrithew
Mitges Monteith
Mulroney Nicholson
Oberle O'Kurley
Plourde Porter
Pronovost Redway
Reid Reimer
Ricard Richardson
Roy-Arcelin Saint-Julien
Schneider Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth) Shields
Sobeski Soetens
Sparrow Stevenson
Thacker Thompson
Thorkelson Tremblay (Rosemont)
Tremblay (Québec-Est) Tremblay (Lotbinière)
Turner (Halton—Peel) Valcourt
Van de Walle Venne
Vézina Vien
White Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard Worthy—133

Mr. Speaker: I declare the motion lost.

• (2220)

[*Translation*]

The next question is on Motion no. 23 (Mr. Horner).

Motion agreed to on the the following division:

(Division No. 229)

YEAS

Members

Anderson Andre
Atkinson Attewell
Belsher Bernier
Bertrand Bird
Bjornson Blais

Blenkarn
Bosley
Bouchard (Lac-Saint-Jean)
Bourgault
Boyer
Brightwell
Browes
Cadieux
Campbell (Vancouver Centre)
Cardiff
Casey
Chadwick
Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain)
Charest
Chartrand
Clark (Yellowhead)
Clark (Brandon—Souris)
Cole
Cook
Cooper
Corbeil
Corbett
Côté
Couture
Crosby (Halifax West)
Darling
DeBlois
de Cotret
Dorin
Duplessis
Edwards
Epp
Fee
Ferland
Fretz
Gibeau
Greene
Guilbault
Halliday
Harvey (Chicoutimi)
Hawkes
Hogue
Holtmann
Horner
Horning
Hughes
Jacques
James
Jelinek
Johnson
Joncas
Kempling
Koury
Landry
Langlois
Larrivée
Layton
Leblanc (Longueuil)
Lewis
Littlechild
Loiselle
Lopez
MacDonald (Rosedale)
MacDougall (Timiskaming)
MacKay
Malone
Marin
Martin (Lincoln)
Masse
McCreath
McDougall (St. Paul's)
McKnight
McLean
Merrithew
Mitges
Monteith
Mulroney
Nicholson
Oberle
O'Kurley
Plamondon
Plourde
Porter
Redway
Reid
Reimer
Ricard
Roy-Arcelin
Saint-Julien
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Shields
Sobeski
Soetens
Sparrow
Stevenson
Tardif
Thorkelson
Tremblay (Rosemont)
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton—Peel)
Valcourt
Van de Walle
Venne
Vézina
Vien
Vincent
White
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy—125

NAYS

Members

Allmand
Althouse
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Bevilacqua
Black
Blondin
Boudria
Brewin
Butland
Caccia
Callbeck
Campbell (South West Nova)
Clancy
Comuzzi
Duhamel
Edmonston
Ferguson
Fisher
Flis
Foster
Fulton
Funk
Gaffney
Gauthier
Grey (Beaver River)
Guarnieri
Harb
Harvard
Harvey (Edmonton East)
Hovdebo
Hunter
Jordan
Karpoff
Keyes
Kristiansen
Langdon (Essex—Windsor)
Lapierre
Laporte
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
MacLellan
MacWilliam
Maheu
Marchi
Marleau
McCurdy
McLaughlin
Mifflin
Milliken
Murphy
Nault
Pagtakhan
Parent
Parker
Peterson
Phinney
Proud
Prud'homme
Rideout
Riis
Robichaud
Robinson
Rocheleau
Samson
Skelly (North Island—Powell River)
Speller
Stewart
Stupich
Taylor
Vanclief
Waddell
Wappel
Whittaker
Wood
Young (Gloucester)—79

[*English*]

Mr. Speaker: I declare the motion carried.

The next question is on Motion No. 24.

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

(*Division No. 230*)

YEAS

Members

Allmand
Althouse
Anawak
Angus
Arseneault
Assad
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bellemare
Benjamin
Black
Blackburn (Brant)
Blondin
Boudria
Butland
Caccia
Callbeck
Campbell (South West Nova)
Catterall
Clancy
Comuzzi
Dingwall
Dionne
Duhamel
Edmonston
Ferguson
Fisher
Flis
Fontana
Fulton
Funk
Gaffney
Gagliano
Gardiner
Gauthier
Grey (Beaver River)
Harb
Harvard
Hopkins
Hovdebo
Hunter
Jordan
Keyes
Kristiansen
Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)
Lapierre
Laporte
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacAulay
MacLellan
MacWilliam
Manley
Marleau
McCurdy
McGuire
Mifflin
Milliken
Mills
Murphy
Nault
Nunziata
Nystrom
Pagtakhan
Parent
Peterson
Phinney
Pickard
Proud
Rideout
Riis
Robichaud
Robinson
Rocheleau
Rodriguez
Samson
Skelly (North Island—Powell River)

Skelly (Comox—Alberni)
Stupich
Waddell
Whittaker
Young (Gloucester)—87

Speller
Tobin
Wappel
Wood

NAYS

Members

Anderson
Atkinson
Bird
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Couture
Darling
de Cotret
Dobbie
Duplessis
Epp
Ferland
Fretz
Guilbault
Halliday
Hicks
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
McCreath
McLean
Mitges
Nicholson
O'Kurley
Plourde
Reimer
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vincent
Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—118

Andre
Bertrand
Bjornson
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Clifford
Cook
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dorin
Edwards
Fee
Fontaine
Greene
Gustafson
Harvey (Chicoutimi)
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McKnight
Merrithew
Monteith
Oberle
Plamondon
Redway
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vien
White

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 25.

The House divided on the motion which was negatived on the following division:

YEAS

Members

Allmand
Anawak
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Black
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Edmonston
Fisher
Fontana
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hovdebo
Jordan
Keyes
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
McCurdy
McLaughlin
Mills
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker

Althouse
Arseneault
Bélair
Bevilacqua
Blackburn (Brant)
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Ferguson
Flis
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
Laporte
Lee
MacLellan
Maheu
Marleau
McGuire
Mifflin
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Young (Gloucester)—90

NAYS

Members

Anderson
Atkinson
Belsher
Bird
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Campbell (Vancouver Centre)
Chadwick
Champagne (Champlain)
Chartrand
Cole
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Desjardins
Dobbie
Duplessis
Epp
Ferland

Andre
Attewell
Bertrand
Bjornson
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Yellowhead)
Cooper
Corbett
Couture
Darling
Della Noce
Dick
Dorin
Edwards
Fee
Fontaine

Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hockin
Horning
Hughes
Jelinek
Joncas
Koury
Langlois
Layton
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
McCreath
McKnight
Merrithew
Monteith
O'Kurley
Redway
Reimer
Schneider
Shields
Soetens
Stevenson
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Assiniboia)—114

Friesen
Greene
Halliday
Hicks
Holtmann
Hudon
James
Johnson
Kempling
Landry
Larrivée
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McDougall (St. Paul's)
McLean
Mitges
Oberle
Plourde
Reid
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thorkelson
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—

Mr. Speaker: I declare the motion lost.

[*Translation*]

The next question is on Motion no. 26.

Motion negatived on the following division:

(*Division No. 232*)

YEAS

Members

Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Black
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Langan (Mission—Coquitlam)
Laporte
Lee
MacDonald (Dartmouth)
MacWilliam
Manley
McCurdy
McLaughlin
Nault

Anawak
Arseneault
Baker
Bevilacqua
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Maheu
Marleau
McGuire
Mifflin
Nunziata

Nystrom
Parent
Peterson
Pickard
Riis
Robinson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood—85

Pagtakhan
Parker
Phinney
Rideout
Robichaud
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker

NAYS

Members

Anderson
Atkinson
Bernier
Bird
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Chadwick
Clark (Yellowhead)
Cole
Cooper
Corbett
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Hughes
Jelinek
Joncas
Koury
Langlois
Layton
Littlechild
MacDonald (Rosedale)
MacKay
Marin
McCreath
McLean
Mitges
Oberle
Plourde
Pronovost
Reid
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Thacker
Tremblay (Québec-Est)
Valcourt
Vézina
Vincent
Wilbee
Assiniboia)
Worthy—116

Andre
Attewell
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Casey
Charest
Clark (Brandon—Souris)
Cook
Corbeil
Côté
DeBlois
Della Noce
Dick
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horning
James
Johnson
Kempling
Landry
Larrivée
Lewis
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
McKnight
Merrithew
Monteith
O'Kurley
Porter
Redway
Reimer
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Tardif
Thompson
Turner (Halton—Peel)
Van de Walle
Vien
White
Wilson (Swift Current—Maple Creek—
Winegard

[*English*]

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 27 standing in the name of the hon. member for Yorkton–Melville.

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

(*Division No. 233*)

YEAS

Members

Althouse	Anawak
Angus	Arseneault
Assad	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bellemare
Bevilacqua	Black
Boudria	Brewin
Butland	Caccia
Callbeck	Campbell (South West Nova)
Catterall	Clancy
Comuzzi	Dingwall
Dionne	Duhamel
Edmonston	Ferguson
Fisher	Flis
Fontana	Foster
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Grey (Beaver River)	Guarnieri
Harb	Harvey (Edmonton East)
Hopkins	Hovdebo
Hunter	Jordan
Karpoff	Keyes
Kilger (Stormont—Dundas)	Langan (Mission—Coquitlam)
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacLellan
MacWilliam	Maheu
Manley	Marleau
McCurdy	McGuire
McLaughlin	Mifflin
Nystrom	Pagtakhan
Parent	Parker
Peterson	Phinney
Pickard	Rideout
Riis	Robichaud
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stewart
Stupich	Taylor
Tobin	Vanclief
Wappel	Whittaker
Wood	Young (Gloucester)—82

NAYS

Members

Anderson	Andre
Atkinson	Bernier
Bertrand	Bird
Blackburn (Jonquière)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Bouchard (Lac-Saint-Jean)
Bourgault	Boyer
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Charest	Chartrand
Clark (Brandon—Souris)	Clifford
Cole	Cook
Corbeil	Corbett
Côté	Couture
Crosby (Halifax West)	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Dorin
Duplessis	Edwards
Fee	Ferland
Fontaine	Fretz
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Horner
Horning	Hudon
Jacques	Jelinek
Joncas	Kempling
Koury	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
McCreath	McDougall (St. Paul's)
McLean	Merrithew
Mitges	Monteith
Nicholson	Oberle
O'Kurley	Plourde
Porter	Pronovost
Redway	Reid
Reimer	Richardson
Roy-Arcelin	Saint-Julien
Scott (Victoria—Haliburton)	Soetens
Sparrow	Tardif
Thacker	Thompson
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van de Walle	Vien
Vincent	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—116	Winegard

Mr. Speaker: I declare the motion lost.

[*Translation*]

I would ask for your attention for a moment, because I hear some Members asking how many votes are still to come this evening.

[*English*]

For everybody's information, I think I should advise the House that there are eight more votes and then there will be a further vote for concurrence.

The next question is on Motion No. 28 standing in the name of the hon. member for Yorkton—Melville.

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

(*Division No. 234*)

YEAS

Members

Allmand	Althouse
Anawak	Angus
Arseneault	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bélair
Bellemare	Bevilacqua
Blondin	Boudria

Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Fisher
Fontana
Fulton
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Marchi
McLaughlin
Milliken
Nunziata
Pagtakhan
Phinney
Rideout
Robichaud
Rocheleau
Skelly (North Island—Powell River)
Stewart
Taylor
Vanclief
Wappel
Butland
Callbeck
Catterall
Comuzzi
Dionne
Ferguson
Flis
Foster
Funk
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Langan (Mission—Coquitlam)
Laporte
Lee
Maheu
McGuire
Mifflin
Nault
Nystrom
Parker
Pickard
Riis
Robinson
Samson
Skelly (Comox—Alberni)
Stupich
Tobin
Waddell
Whittaker—80

NAYS

Members

Anderson
Belsher
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Brandon—Souris)
Cooper
Corbett
Crosby (Halifax West)
de Cotret
Desjardins
Edwards
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horning
Hughes
Johnson
Kempling
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
Malone
Masse
McDougall (St. Paul's)
McLean
Atkinson
Bertrand
Bjornson
Blais
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Cole
Corbeil
Couture
Darling
Della Noce
Dick
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Horner
Hudon
Jacques
Joncas
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Martin (Lincoln)
Mazankowski
McKnight
Merrithew
Mitges
Nicholson
O'Kurley
Porter
Redway
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Soetens
Stevenson
Thorkelson
Tremblay (Québec-Est)
Valcourt
Venne
Vincent
Wilbee
Assiniboia)
Worthy—114
Monteith
Oberle
Plourde
Pronovost
Reid
Richardson
Schneider
Scott (Hamilton—Wentworth)
Sparrow
Tardif
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van de Walle
Vien
White
Wilson (Swift Current—Maple Creek—
Winegard

Mr. Speaker: I declare the motion lost.

[*Translation*]

The next question is on Motion no. 29.

Motion negatived on the following division:

(*Division No. 235*)

YEAS

Members

Allmand
Anawak
Arseneault
Baker
Bellemare
Bevilacqua
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Fisher
Foster
Funk
Gagliano
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLellan
McGuire
Milliken
Nunziata
Pagtakhan
Parker
Pickard
Riis
Robinson
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Wappel
Young (Gloucester)—77
Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Blondin
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Flis
Fulton
Gaffney
Gardiner
Guarnieri
Harvard
Hopkins
Jordan
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
Laporte
MacAulay
Manley
Mifflin
Nault
Nystrom
Parent
Peterson
Rideout
Robichaud
Rocheleau
Skelly (North Island—Powell River)
Stewart
Taylor
Waddell
Whittaker

NAYS

Members

Anderson
Andre
Atkinson
Belsher
Bertrand
Bird
Bjornson
Blais
Blenkarn
Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)
Boyer
Brightwell
Browes
Campbell (Vancouver Centre)
Cardiff
Casey
Chadwick
Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain)
Charest
Chartrand
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Crosby (Halifax West)
Darling
DeBlois
de Cotret
Desjardins
Dick
Duplessis
Edwards
Fee
Ferland
Fontaine
Fretz
Friesen
Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Gustafson
Halliday
Harvey (Chicoutimi)
Hawkes
Hicks
Hockin
Hogue
Horner
Horning
Hughes
Johnson
Joncas
Kempling
Landry
Langlois
Larrivée
Layton
Leblanc (Longueuil)
Lewis
Loiselle
Lopez
MacDonald (Rosedale)
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Masse
Mazankowski
McKnight
Merrithew
Mitges
Nicholson
Oberle
O'Kurley
Plourde
Porter
Pronovost
Redway
Reid
Reimer
Ricard
Richardson
Roy-Arcelin
Saint-Julien
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Soetens
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton—Peel)
Valcourt
Van de Walle
Venne
Vien
Vincent
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy—106

Mr. Speaker: I declare the motion lost.

The next question is on Motion no. 30, standing in the name of the hon. member for Gloucester.

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

(Division No. 236)

YEAS

Members

Allmand
Anawak
Angus
Arseneault
Baker
Bélair
Benjamin
Black
Blondin
Boudria
Brewin
Caccia
Callbeck
Comuzzi
Dionne
Duhamel
Fisher
Flis
Foster
Fulton
Funk
Gaffney
Gardiner
Grey (Beaver River)
Guarnieri
Harb
Harvey (Edmonton East)
Hopkins
Hovdebo
Hunter
Jordan
Karpoff
Kilgour (Edmonton Southeast)
Kindy
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
MacAulay
MacDonald (Dartmouth)
MacLellan
Marleau
McCurdy
Milliken
Nault
Nystrom
Pagtakhan
Parent
Parker
Pickard
Riis
Robichaud
Robinson
Samson
Skelly (North Island—Powell River)
Skelly (Comox—Alberni)
Stupich
Taylor
Waddell
Wappel
Whittaker
Wood
Young (Gloucester)—63

NAYS

Members

Anderson
Atkinson
Attewell
Belsher
Bertrand
Bird
Bjornson
Blackburn (Jonquière)
Blais
Blenkarn
Bosley
Bouchard (Lac-Saint-Jean)
Bourgault
Boyer
Brightwell
Browes
Campbell (Vancouver Centre)
Casey
Chadwick
Champagne (Saint-Hyacinthe—Bagot)
Champagne (Champlain)
Charest
Chartrand
Clark (Brandon—Souris)
Clifford
Cole
Cook
Cooper
Corbeil
Corbett
Crosby (Halifax West)
Darling
DeBlois
de Cotret
Della Noce
Dick
Dorin
Duplessis
Edwards
Epp
Fee
Ferland
Fretz
Friesen
Gibeau
Greene
Guilbault
Gustafson
Halliday
Harvey (Chicoutimi)
Hawkes
Hicks
Hockin
Hogue
Holtmann
Horner
Horning
Hudon
Hughes
Jacques
James
Jelinek
Johnson
Joncas
Kempling
Landry
Langlois
Larrivée
Layton
Leblanc (Longueuil)
Lewis
Loiselle
Lopez
MacDonald (Rosedale)
Marin
Martin (Lincoln)
Mazankowski
McCreath
McKnight
Nicholson
Oberle
O'Kurley
Plourde
Porter
Redway
Reid
Reimer
Ricard
Richardson
Saint-Julien
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Shields
Sobeski
Sparrow
Stevenson
Tardif

Thacker
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
Wilbee
Assiniboia)
Thompson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
White
Wilson (Swift Current—Maple Creek—
Winegard—113

• (2330)

[*English*]

Mr. Speaker: I declare the motion lost.

[*Translation*]

Mr. Gabriel Fontaine (Levis): I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. Member for Lévis on a point of order.

Mr. Fontaine: Mr. Speaker, I arrived late, and I voted, but I should not have done so. I did not think that the vote had commenced. Therefore, I do not want my vote to count, this time.

• (2340)

[*English*]

Mr. Speaker: The next question is on Motion No. 37 standing in the name of the hon. member for Mississauga West.

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

(*Division No. 237*)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clifford
Cooper
Côté
Crosby (Halifax West)
DeBlois
Desjardins
Dorin
Edwards
Fee
Fretz
Gibeau
Gustafson
Hawkes
Holtmann
Hudon
James
Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Brandon—Souris)
Cook
Corbeil
Couture
Darling
Della Noce
Dick
Duplessis
Epp
Fontaine
Friesen
Greene
Halliday
Hockin
Horner
Jacques
Jelinek
Johnson
Kempling
Landry
Layton
Littlechild
MacDonald (Rosedale)
MacKay
Marin
Mazankowski
McKnight
Merrithew
Nicholson
O'Kurley
Porter
Reid
Richardson
Schneider
Shields
Sparrow
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Venne
Vien
Wilbee
Assiniboia)
Joncas
Koury
Langlois
Lewis
Loiselle
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
McCreath
McLean
Monteith
Oberle
Plamondon
Redway
Reimer
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van de Walle
Vézina
White
Wilson (Swift Current—Maple Creek—
Winegard—113

NAYS

Members

Allmand
Angus
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Brewin
Callbeck
Dionne
Fisher
Fontana
Fulton
Gagliano
Gauthier
Harvey (Edmonton East)
Hovdebo
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLellan
Marchi
McCurdy
Mills
Nystrom
Parker
Proud
Riis
Rocheleau
Skelly (North Island—Powell River)
Speller
Taylor
Waddell
Wood
Althouse
Assad
Bellemare
Black
Caccia
Campbell (South West Nova)
Ferguson
Flis
Foster
Funk
Gardiner
Harvard
Hopkins
Hunter
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
Laporte
MacDonald (Dartmouth)
Maheu
Marleau
Milliken
Nault
Parent
Phinney
Rideout
Robinson
Samson
Skelly (Comox—Alberni)
Stupich
Vanclief
Whittaker
Young (Gloucester)—64

Mr. Speaker: I declare the motion carried.

• (2350)

The next question is on Motion No. 38 standing in the name of the hon. member for Gloucester.

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

(Division No. 238)

YEAS

Members

Allmand
Anawak
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Black
Boudria
Caccia
Campbell (South West Nova)
Clancy
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kindy
Langan (Mission—Coquitlam)
Laporte
Lee
MacDonald (Dartmouth)
MacWilliam
Manley
Marleau
Mifflin
Mills
Nunziata
Pagtakhan
Parker
Phinney
Proud
Robichaud
Rocheleau
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker
Young (Gloucester)—93

Althouse
Arseneault
Baker
Bellemare
Bevilacqua
Blondin
Butland
Callbeck
Catterall
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Maheu
Marchi
McCurdy
Milliken
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robinson
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood

NAYS

Members

Anderson
Atkinson
Belsher
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Cardiff
Chadwick
Champagne (Champlain)
Clark (Brandon—Souris)
Cooper
Corbett
Couture
DeBlois
Desjardins
Duplessis
Epp

Andre
Attewell
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Cole
Corbeil
Côté
Darling
de Cotret
Dorin
Edwards
Fee

Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hogue
Hughes
James
Johnson
Larrivée
Littlechild
MacDonald (Rosedale)
MacKay
Marin
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Nicholson
O'Kurley
Plourde
Pronovost
Reid
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec-Est)
Van de Walle
Vézina
Vincent
Wilbee
Worthy—114

Fontaine
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hockin
Horner
Jacques
Jelinek
Langlois
Leblanc (Longueuil)
Loiselle
MacDougall (Timiskaming)
Malone
Masse
McCreath
McKnight
Merrithew
Monteith
Oberle
Plamondon
Porter
Redway
Reimer
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Thacker
Thorkelson
Turner (Halton—Peel)
Venne
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard

Mr. Speaker: I declare the motion lost.

The next question is on Motion No. 56 standing in the name of the hon. member for Gloucester.

• (0000)

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

(Division No. 239)

YEAS

Members

Allmand
Anawak
Arseneault
Baker
Bellemare
Bevilacqua
Blondin
Butland
Callbeck
Catterall
Dingwall
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)

Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Black
Boudria
Caccia
Campbell (South West Nova)
Clancy
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kindy
Langan (Mission—Coquitlam)
Laporte

LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Maheu
Marchi
McCurdy
Mifflin
Mills
Nunziata
Parent
Peterson
Pickard
Rideout
Robinson
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Whittaker
Young (Gloucester)—93

Lee
MacDonald (Dartmouth)
MacWilliam
Manley
Marleau
McGuire
Milliken
Nault
Pagtakhan
Parker
Phinney
Proud
Robichaud
Rocheleau
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Wappel
Wood

NAYS

Members

Andre
Attewell
Bernier
Bjornson
Blais
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clifford
Cooper
Corbett
Couture
Darling
de Cotret
Desjardins
Duplessis
Epp
Ferland
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hockin
Horning
Hughes
James
Johnson
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Oberle
Plourde
Redway
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski

Atkinson
Belsher
Bertrand
Blackburn (Jonquière)
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Brandon—Souris)
Cole
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dorin
Edwards
Fee
Fontaine
Gibeau
Greene
Halliday
Hicks
Hogue
Hudon
Jacques
Jelinek
Joncas
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Nicholson
Plamondon
Porter
Reid
Ricard
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Soetens
Sparrow
Tardif
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vézina
Vincent
Wilbee
Assiniboia)
Worthy—124

Stevenson
Tétreault
Thorkelson
Tremblay (Lotbinière)
Van de Walle
Vien
White
Wilson (Swift Current—Maple Creek—
Winegard

Mr. Speaker: I declare the motion lost.

[*Translation*]

The next question is on motion No 87.

The House divided on the motion (Mr. Nystrom), which was negatived on the following division:

(*Division No. 240*)

YEAS

Members

Allmand
Anawak
Arseneault
Baker
Bellemare
Black
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Maheu
Marleau
McGuire
Milliken
Nault
Nystrom
Parent
Peterson
Pickard
Riis
Robinson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker
Young (Gloucester)—91

Althouse
Angus
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bevilacqua
Boudria
Butland
Callbeck
Catterall
Comuzzi
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Langan (Mission—Coquitlam)
Laporte
Lee
MacDonald (Dartmouth)
MacWilliam
Manley
McCurdy
Mifflin
Mills
Nunziata
Pagtakhan
Parker
Phinney
Rideout
Robichaud
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood

NAYS

Members

Anderson	Andre
Atkinson	Attewell
Bernier	Bertrand
Bouchard (Roberval)	Bouchard (Lac-Saint-Jean)
Bourgault	Boyer
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Charest
Chartrand	Clark (Brandon—Souris)
Clifford	Cole
Cook	Corbeil
Corbett	Côté
Couture	Crosby (Halifax West)
Darling	DeBlois
Della Noce	Desjardins
Dick	Dorin
Duplessis	Edwards
Epp	Fee
Ferland	Fontaine
Fretz	Friesen
Gibeau	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Hockin
Hogue	Horning
Hudon	Hughes
Jacques	James
Jelinek	Joncas
Kempling	Koury
Langlois	Larrivée
Layton	Leblanc (Longueuil)
Lewis	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Masse	Mazankowski
McCreath	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Mitges
Monteith	Nicholson
Oberle	Plamondon
Plourde	Porter
Redway	Reid
Reimer	Ricard
Richardson	Roy-Arcelin
Saint-Julien	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Shields	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thompson
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Valcourt
Van de Walle	Vézina
Vincent	White

Wilson (Swift Current—Maple Creek—Assiniboia)
Worthy—120

• (0010)

[*English*]

Mr. Speaker: I declare the motion lost.

[*Translation*]

The next question is on motion no 89, standing in the name of the hon. member for Gloucester.

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

(*Division No. 241*)

YEAS

Members

Allmand	Althouse
Anawak	Arseneault
Assad	Axworthy (Saskatoon—Clark's Crossing)
Baker	Bélair
Bellemare	Bevilacqua
Black	Boudria
Brewin	Butland
Caccia	Callbeck
Campbell (South West Nova)	Catterall
Clancy	Comuzzi
Dingwall	Duhamel
Edmonston	Ferguson
Fisher	Flis
Fontana	Foster
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Grey (Beaver River)	Guarnieri
Harb	Harvard
Harvey (Edmonton East)	Hopkins
Hovdebo	Hunter
Karpoff	Keyes
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Kristiansen
Langan (Mission—Coquitlam)	Langdon (Essex—Windsor)
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacLellan
MacWilliam	Maheu
Manley	Marchi
Marleau	McCurdy
McGuire	Mifflin
Milliken	Mills
Nault	Nystrom
Pagtakhan	Parent
Parker	Peterson
Phinney	Pickard
Proud	Rideout
Riis	Robichaud
Robinson	Samson
Skelly (North Island—Powell River)	Speller
Stewart	Stupich
Taylor	Tobin
Vanclief	Waddell
Wappel	Whittaker
Wood	Young (Gloucester)—92

NAYS

Members

Anderson	Andre
Atkinson	Belsher
Bernier	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Brandon—Souris)
Clifford	Cole
Cooper	Corbeil
Corbett	Côté

Couture
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Hogue
Hudon
Jacques
Jelinek
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Nicholson
O'Kurley
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
White
Assiniboia)
Worthy—130

Crosby (Halifax West)
DeBlois
Della Noce
Dick
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Hawkes
Hockin
Horning
Hughes
James
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Oberle
Plamondon
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vincent
Wilson (Swift Current—Maple Creek—
Winegard

• (0020)

[*English*]

Mr. Speaker: I declare the motion lost.

Mr. Wilson (Etobicoke Centre) moved that the bill, as amended, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

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

Some Hon. Members: No.

Mr. Speaker: Call in the members.

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

(*Division No. 242*)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Browes
Campbell (Vancouver Centre)
Casey
Champagne (Saint-Hyacinthe—Bagot)
Charest
Clark (Brandon—Souris)
Cole
Cooper
Corbett
Couture
Darling
de Cotret
Desjardins
Dorin
Edwards
Fee
Fontaine
Friesen
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Holtmann
Horning
Hughes
James
Johnson
Kempling
Landry
Larrivée
Leblanc (Longueuil)
Littlechild
Lopez
MacDougall (Timiskaming)
Malone
Martin (Lincoln)
Mazankowski
McDougall (St. Paul's)
McLean
Mitges
Nicholson
O'Kurley
Plourde
Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)

Andre
Attewell
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cadieux
Cardiff
Chadwick
Champagne (Champlain)
Chartrand
Clifford
Cook
Corbeil
Côté
Crosby (Halifax West)
DeBlois
Della Noce
Dick
Duplessis
Epp
Ferland
Fretz
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hogue
Horner
Hudon
Jacques
Jelinek
Joncas
Koury
Langlois
Layton
Lewis
Loiselle
MacDonald (Rosedale)
MacKay
Marin
Masse
McCreath
McKnight
Merrithew
Monteith
Oberle
Plamondon
Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Shields

Sobeski
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Worthy—141

NAYS

Members

Althouse
Angus
Assad
Baker
Bellemare
Bevilacqua
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Benjamin
Black
Brewin
Caccia
Campbell (South West Nova)
Clancy
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Guarnieri
Harvard
Hopkins
Hunter
Karpoff
Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)
Kristiansen
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Maheu
Marchi
McCurdy
Mifflin
Mills
Nunziata
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Waddell
Whittaker
Young (Gloucester)—97
Kindy
Langan (Mission—Coquitlam)
Laporte
Lee
MacDonald (Dartmouth)
MacWilliam
Manley
Marleau
McGuire
Milliken
Nault
Nystrom
Parent
Peterson
Pickard
Rideout
Robichaud
Samson
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Wappel
Wood

[*Translation*]

Mr. Speaker: When shall the bill be read for the third time? At the next sitting of the House?

Some Hon. Members: Agreed.

Mr. Speaker: It being 12.51 a.m. the House stands adjourned until 11 a.m. today, pursuant to Standing Order 24(1).

The House adjourned at 12.51 a.m.

HOUSE OF COMMONS

Tuesday, April 10, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Mr. Speaker, I have the privilege of tabling, in both official languages, the Order in Council announcing appointments made recently by the government.

Pursuant to Standing Order 110(1), these Orders in Council shall be deemed to have been referred to the standing committees listed in appendix.

[*English*]

While I am on my feet, I move:

That the House do now proceed to the Orders of the Day.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion, the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

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

(*Division No. 243*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bernier
Bertrand	Bjornson
Blackburn (Jonquière)	Blais
Blenkarn	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Cadieux	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Champagne (Champlain)
Clark (Yellowhead)	Clark (Brandon—Souris)
Cole	Collins
Cook	Cooper
Corbeil	Corbett
Côté	Couture
Crosby (Halifax West)	Danis
Darling	DeBlois
de Cotret	Della Noce
Dick	Dobbie
Duplessis	Edwards
Epp	Fee
Ferland	Fontaine
Friesen	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horning
Hudon	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
Mazankowski	McCreath
McDougall (St. Paul's)	McKnight
McLean	Merrithew
Mitges	Monteith
Nicholson	Oberle
O'Kurley	Plamondon
Plourde	Porter
Pronovost	Redway
Reid	Reimer
Ricard	Richardson
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tardif
Thacker	Thompson

Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vien
Weiner
Wilbee
Assiniboia)
Worthy—134

Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Vézina
Vincent
White
Wilson (Swift Current—Maple Creek—
Winegard

NAYS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Boudria
Butland
Callbeck
Clancy
Edmonston
Fisher
Fulton
Gardiner
Guarnieri
Harvey (Edmonton East)
Hovdebo
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Lee
MacLellan
Maheu
Marchi
McGuire
Milliken
Murphy
Nystrom
Peterson
Proud
Riis
Rocheleau
Skelly (North Island—Powell River)
Stewart
Taylor
Volpe
Whittaker
Young (Gloucester)

Anawak
Barrett
Black
Brewin
Caccia
Catterall
Duhamel
Ferguson
Flis
Gagliano
Gauthier
Harvard
Hopkins
Hunter
Keyes
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacWilliam
Manley
Marleau
Mifflin
Mills
Nault
Pagtakhan
Pickard
Rideout
Robichaud
Samson
Speller
Stupich
Tobin
Wappel
Wood
Young (Beaches—Woodbine)—70

• (1150)

The Acting Speaker (Mr. Paproski): I declare the motion carried.

The hon. member for Ottawa—Vanier on a point of order.

Mr. Gauthier: Mr. Speaker, I have a very important point of order. This procedure prevents members from tabling petitions. I just wondered if we could get unanimous consent to revert to petitions so that we could table very important petitions dealing with the GST.

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent.

Orders of the day.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

MEASURE TO AMEND

Hon. Gilles Loiselle (for the Minister of Finance) moved that Bill C-62, an Act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, be read the third time and passed.

The Acting Speaker (Mr. Paproski): Order, please. The hon. Minister of State.

[*Translation*]

Mr. Loiselle: Mr. Speaker, the bill before the House today is the result of long and detailed studies and debate. It is a bridge to an equitable and prosperous future. Of course it is a tax, and of course it is unpopular, but it never will be, any more than income tax and all the other taxes introduced over the years. However, when we stop to think and consider the tremendous cost of our social programs and other services that Canadians demand, and rightly so, these taxes are necessary, and this particular tax reform, the GST, is both necessary and timely. Mr. Speaker, there is no future without a certain cost.

If we were to conduct a poll on income tax, I am sure most respondents would say they don't like income tax. Should we abolish income tax? That is the kind of logic or lack of logic being used by the opposition. Opposition members have been telling us, day after day, that the polls show that 80 per cent of Canadians don't like the idea of a tax on goods and services. According to them, Canadians are asking us to abandon this tax reform proposal. Of course, opposition members are playing on these concerns—after all, it is a major reform. People are entitled to express some concern, to have perfectly legitimate questions. However, our proposal is perfectly fair to people of modest incomes, for example, and provides assistance to small businesses in coping with this tax.

So we have answers to these questions but the opposition members, instead of acting responsibly by helping the government restore the nation's finances, take the easy course and use an unpopular tax to embarrass the government. The opposition members forget this great responsibility, especially in the present context when we

are at the end of seven years of economic growth, when the economy is slowing down and when we are faced with a national debt and a large deficit that we must fight. Instead of looking for solutions to these problems for which they are largely responsible because of their previous management, they make sport of it. What is easier than asking someone, "Are you for or against a tax? Put your name at the bottom of the page". But what does that prove? It proves nothing. I feel that our responsibilities as members of Parliament go much further.

No tax in the world, Mr. Speaker, has majority support. I saw a similar tax implemented in France, where they talked about a second French revolution, in Spain, where they talked about a major social crisis, and six weeks after the law was passed, these taxes were working very well. We are told that it will be a disaster for the tourism industry. Just see how Canadians rush to Mexico, which has a GST, a value added tax, how they go in great numbers to England, France, Italy, countries where tourism is a very important industry that works well. A balanced tax system does not prevent this—These arguments are based on a fundamental misconception, which the opposition takes pleasure in exploiting to create problems for the government.

But you know, Mr. Speaker, there are times in a government's life when it must make decisions and take initiatives that may be unpopular, I agree, but are necessary for the country's health and well-being. So when an epidemic outbreak becomes a definite possibility the government may have no choice other than prescribe vaccination for everybody. As far as I know people do not particularly care for vaccination, but that just may be necessary to protect the health and even the life of the citizenry. It so happens that economic vaccines are required now and then, and such is the case today with respect to the federal sales tax which Canadians have been paying for almost 64 years and which is nothing short of a virus gnawing at the economy. I am sure most of our colleagues on the other side agree: the current manufacturer's sales tax, ultimately paid by the consumer, simply has to go. It has been identified as a virus and the GST is the vaccine which will help us get rid of it. The existing federal sales tax is a virus against which we must fight because it strikes at the core of our country's future growth and prosperity by stiffling domestic productivity and exports of Canadian made goods.

Mr. Speaker, picture if you will a major industrial country like Canada with its sparsely populated expanses, a country whose survival depends on exports and which is the only industrial nation with a tax structure having such a stupid levy that, on both domestic and international markets, Canadian producers are more handicapped than their competitors. We must do away with this aberration. This virus also undermines our efforts to lower the deficit and strengthen our budgetary process because this tax is an ever growing fester on our tax structure.

• (1200)

At the time of the last budget, as I said, when we increased the manufacturer's sales tax to ensure a certain level of revenue, we knew that by doing so, we were running the risk that businesses would attempt to avoid it. We said: Beware, for in a year from now, we are going to replace the current system with a value added tax system, with the hope that these businesses would not make drastic changes for such a short period of time, because the current tax which concerns only some businesses and applies to 75,000 items with 22,000 exceptions is a tax which is harmful, negative, unbalanced and which encourages evasion. Well, we want to replace it to consolidate the government's basic revenues and help finance the programs which Canadians have every right to expect.

Finally, the current tax is a virus we want to get rid of because its victims are the most vulnerable in our society, because it is a silent killer of jobs, because it destroys the ability of our industries to compete, and because it reduces the productivity of our labour force. It is harmful to our economy in a world where competitiveness is of prime importance and where other economic blocks and countries are not prepared to give us a free ride.

Mr. Speaker, the necessary vaccine against the current manufacturer's sales tax which has been identified as a virus is the goods and services tax. Judging from the reaction we get from the opposition at the mere mention of this tax, we get the impression that the GST is truly an abomination, although 48 modern countries, including many of our main competitors, have implemented a similar tax. Therefore, we cannot be accused of having an overactive imagination. We have looked at other

alternatives. We have considered personal income taxes, where the government collects moneys straight from the people's pockets, allowing them little choice, as well as the pros and cons of a consumer's tax. We have accepted the notion that a consumer's tax could be regressive unless accompanied with several measures aimed at protecting those with limited resources.

This tax we are planning to introduce will liberate in some way the economic forces of our country. It is part of a plan this conservative government adopted when it first came to power in 1984 designed to stream line our economy and act as a positive factor to liberate the forces with are found in our businesses in Canada, and I am referring to our labour force. Our exporters and businesses will then be able to compete. It will be a solid basis for eliminating the scourge of the deficit. Our main sources of revenue include income, excise and corporate taxes as well as the leaky and unbalanced manufacturers' sales tax, which encourages evasion, applies only to certain products and creates all sorts of inequalities. By eliminating this tax which is getting increasingly difficult to collect, we will fight the deficit. It will make the Canadian economy stronger by injecting into it $9 billion, particularly in the Atlantic and Western provinces which are quite dependent on the export of natural resources.

By removing these pressures on our economy and releasing these new investments and development incentives that will benefit all Canadians, we will spread the wealth, increase public revenue through income and corporate taxes and thus fight the deficit. Mr. Speaker, this tax will guarantee a more equitable future for the most vulnerable members of our society.

During this long drawn-out debate—I will remind our friends opposite that, in the last campaign, many of my colleagues on this side of the House showed me the paper they published at that time about this reform we were proposing.

We discussed this proposal in detail in our White Paper and in our Budget documents. When pushed to the limit, the opposition has said: Sure, we understand, but we are a federal country and now we will have two levels of sales tax. And when we finished arguing that aspect, they went across the country, saying: Not only the poor will be affected!

From the outset, we said that we wanted to make this a national tax. We discussed the tax with the provinces for two years. We knew right away this reform would not be popular, because in the past 50 years, despite any number of commissions of inquiry and reports, not a single government could bring itself to deal with the problem. Well, Mr. Speaker, we decided to deal with this problem, but the provinces, with a sales tax that was better organized than our present sales tax, could afford to say: Well, we are not going to be very popular if we go along with this. They were more reluctant and were not under the same pressures as we were. Because of the harmful aspects of our present tax, we were in much more of a hurry, and for the time being we have had to start the reform alone, but we are keeping the door open for the provinces, and at the present time, senior level talks are continuing which, I hope, will lead to a genuinely national tax in the future.

Our friends opposite insisted on the status quo. Although they admitted the status quo was unacceptable, they wouldn't budge. They also did everything they could to block the tax reform. This is not new. The Liberal Party always says no. They are against free trade, and they are against tax reform. Every time we ask for cutbacks in government spending to deal with the deficit, they object to these cutbacks which are in the best interests of this country. They object to every single measure we propose. So that is nothing new. Instead of trying to improve the measures we suggest, they have concentrated on building barriers to progress. Improvements had to come from this side of the House, from enlightened members, serious workers, who drew our attention to certain aspects of the bill that could be changed for the better. In fact, we made a lot of changes—more than seventy.

So I think the opposition's attitude is rather—-

An Hon. Member: Negative!

Mr. Loiselle: —is a rather bizarre joke, Mr. Speaker.

An Hon. Member: Negative!

Mr. Loiselle: There is a great deal of irony in all this. We have our friends in the New Democratic Party, normally great believers in democracy who have been fighting for a long time for abolition of the Senate. They

are now prepared to create one more obstacle by asking the non-elected Senate to reverse the government's democratic process. Imagine, a party that calls itself democratic! It's like countries in Eastern Europe that were literally democratic in name only.

Some Hon. Members: That's true!

Some Hon. Members: Shame, comrades!

Mr. Loiselle: When you have to—Imagine a party that calls itself democratic, as in the German Democratic Republic! Some democracy, Mr. Speaker!

Some Hon. Members: Shame, comrades!

Mr. Loiselle: —a party that has a cordial entente with non-elected members to obstruct the efforts of a government elected by a solid majority of Canadians. That is really show biz, Mr. Speaker!

An Hon. Member: They are still hamming it up!

Mr. Loiselle: And what about the Official Opposition? If what the New Democratic Party does is show business, Mr. Speaker, members of the Official Opposition are a bunch of actors being manipulated by the other place.

What I see before me is a real wasteland. No proposals except for general remarks such as: Soak the rich, vague remarks like that! We would like to introduce massive reform, but when you are in the government, you have to govern, and it is the Liberal Party's failure to do so which has put the finances of this country in the abysmal situation we see today—-

An Hon. Member: For 20 years!

Mr. Loiselle: —and we are now trying to get the country out of this situation by making difficult decisions that are both courageous and necessary.

Members on the benches opposite are offering Canadians a bunch of illusions. They are talking about a tax on luxury items, a tax on this and a tax on that. I think it is rather disconcerting to hear our opposition colleagues talking about the tax system. They would have Canadians believe that there are simple, straightforward and painless solutions to the problems associated with the present sales tax.

According to our New Democratic Party friends, all we have to do is make the corporations and the rich pay more. Actually, what they are suggesting would have a very severe impact on small and medium-size businesses and the middle-class. They are the ones who are now exempt.

• (1210)

Mr. Langdon: It is up to you to do it.

Mr. Loiselle: Moreover, this reform, this approach, would add a tax burden to corporations, which would pass it on to consumers in the end. Unfortunately, they do not understand how the economy works. They are back at the time when bankers wore black coats and top hats and had fat cigars in their mouths, as we saw when we were children in rather naughty books that often came from eastern Europe. But the world has evolved.

For example, the New Democratic Party proposed alternatives. How daring! They proposed a royal commission of inquiry on the tax system. What imagination! After 50 years of study, royal commissions, parliamentary reports and so on, the New Democratic Party wants another royal commission of inquiry. How ridiculous can you get, Mr. Speaker! Now is the time for decisions. Although ridiculous, the NDP position is at least open. We cannot say as much about the tactics and approach of the Liberal Party, which cannot tell the difference between cleverness and sneakiness. They have had trouble with that for a long time. We hear the leaders or would-be leaders each giving their own solutions: One would abolish the GST, another would not, one will see after, another will see before, a third one will see in the meantime.

Mr. Saint-Julien: They see nothing.

Mr. Loiselle: Meanwhile, we see how they ran the country in the past, bringing it into an extremely difficult financial situation.

We have to be wary of the Liberal Party's tricks. We remember when they told us, "Wage and price controls? Never!" right in an election campaign.

Mr. Saint-Julien: We remember that.

Mr. Loiselle: A few months later, the Liberal government implemented a system of wage and price controls. The Liberal Party told us, right in the middle of an election campaign, that they would never impose an 18-cent tax on gasoline. We know what the Liberal government did a few months later, and it was not just 18 cents—it was a lot more.

Mr. Saint-Julien: Thirty cents, thirty-two cents—

Mr. Loiselle: Today, it is the same party which is saying "not on your life" about the GST. But what does "not on your life" means coming from that side of the House? In the Liberal lexicon, it means "yes, absolutely, but we will not say so before the election". That is why, had it not been for the courage of this government, the Liberals would have dragged their feet because they are unable to face difficult decisions. We are proud to say that this is the difference between them and us.

Fortunately, these difficult and courageous measures will have an impact which may ensure that the Liberal Party will never on your life come again to power!

[*English*]

Mr. Speaker, the government has stated its position clearly and honestly before the Canadian people. We have taken every opportunity available to us to debate the issue, to answer questions and to provide as much information as possible to Canadians right across the country. We will continue to do so.

It is very important to be attentive to the concerns of Canadian citizens and we are going to do that. We will try to be more efficient. We have told Canadians where we stand. We have shown that we have the courage of our convictions. That is not easy. It does not give glowing results in the public opinion polls, especially when the issues one is dealing with are painful, serious and complex. We will not imitate former Liberal governments which refused to deal with the problems associated with the federal sales tax.

You know, Mr. Speaker, I am quickly coming to the conclusion that most of our Liberal colleagues believe that Canada's national bird is the ostrich, because they keep insisting that we should stick our heads in the sand and pretend that there is no problem. Well, that may be their way of governing, but it is not ours.

In fact, on the question of tax policy, as we have done on so many matters, the members of this government are willing to put their seats on the line. The stakes are high. The existing tax costs Canadians about $9 billion in lost opportunities for growth and investment. What a price to pay to maintain the status quo, but that is exactly what the Liberal Party wants us to do.

As Jonathan Swift once wrote: "There is none so blind as they that won't see." And what about our efforts to reduce the deficit? With a list of 22,000 exemptions to the existing sales tax, which list is growing year by year, where will we find the revenue to reduce the deficit and ultimately get rid of our $350 billion national debt?

Of course the Liberal party has never worried much about debt. The simple truth is that one way or another we all have to pay our programs and services as well as for efforts to reduce the deficit. Some people would have Canadians believe otherwise. Some people, for example, our colleagues opposite want Canadians to believe that government is Santa Claus.

Mr. Mills: You doubled the debt.

Mr. Loiselle: We are talking about the debt. I will remind the hon. gentleman, a debt of $200 million with a deficit of $38 billion.

Mr. Milliken: How much is it now?

Mr. Loiselle: We did not even have money to pay for Old Age Security. We had to borrow $16 billion when we came in. How could we tackle the debt?

We have reversed that. Now we have a surplus of $9 billion which allows us, finally after many years of good management, to start diminishing this debt. We had to go through that process, that together with fiscal reform is the answer.

But governments have no gifts to give because the money we have comes from the people. In the same way, the national debt is not the government's debt. It is our debt, that is, the debt of every man, woman, and child in this country.

People who try to pretend otherwise might as well be selling snake oil. However, far from selling dreams to Canadians, they are inadvertently selling nightmares, nightmares of growing national deficits and debt, nightmares of shrinking economic activity, nightmares of job losses.

[*Translation*]

Contrary to our colleagues opposite, we are not trying to impress anybody. Moments of truth are rarely easy or pleasant. They are often unpopular. If Canadians should choose not to listen to or believe the government they will have the choice to turf us out at the next election.

Mr. Langdon: At the very first opportunity.

Mr. Loiselle: Let the people who will be tempted to do so, make no mistake about it. Whomever is in power will have to deal with these issues. Sooner or later, the government will have to find the necessary revenues to maintain our programs and services and reduce the deficit. The government is not proposing this GST because it likes taxes. The ultimate purpose of the GST is to rectify an increasingly complex situation in order to provide Canadian men and women with the best quality of life both now and into the 21st Century.

Mr. Saint-Julien: Our children.

Mr. Loiselle: When we came to power first in 1984, and again in 1988, we made some firm commitments to the Canadian people. Our economic objectives were at the core of these commitments, namely streamlining the government finances in order to protect the security of the most vulnerable in our society and of future generations, while at the same time implementing an economic reform program, including the tax system, with a view to ensuring that Canada may further develop and be better able to face a more intense competition on the world markets.

• (1220)

The GST is one of the cornerstones of this economic program and, now hear this, we will not be sidetracked by any kind of pressure whatsoever. Mr. Speaker, we have listened carefully to the remarks and suggestions about the GST. When we formally introduced our propositions last December, they were the outcome of lengthy discussions and detailed analyses. The bill before us faithfully mirrors the additional improvements and corrections which make me prouder than ever of our legislative measure. It represents a serious and honest effort towards reform. It deserves the support of all those who do make the effort to understand the many faults of our current system, and I hope we can count on them. You did not understand. We do not expect Canadians to like the GST, after all it is a tax. Still I am convinced that most of our fellow citizens will understand that, confronted with difficult problems—

Mr. Saint-Julien: Read this morning's papers.

Mr. Loiselle: —some of which seemed to be practically unsolvable, this government took a serious, responsible and fair approach.

Mr. Gauthier: This is an unfair tax.

Mr. Loiselle: Not at all. Ours will be the most equitable system of the 48 countries that have a similar tax. When time comes to make a decision—

Mr. Gauthier: There is not a federation— None of the Canadian provinces wants this sales tax—

Mr. Loiselle: What has that got to do with it? Sure. But Canada has been under a federal regime for quite some time. We have ten Ministers of Finance, ten Premiers, ten tax systems, if you will. Taxes do exist, this is not a new phenomenon. It is part and parcel of both the complexity and the wealth of our country. Would you have us scrap the provincial systems so we can standardize ours?

Mr. Saint-Julien: Never have you been able to make it visible at 13.5 per cent.

Mr. Gauthier: It is an unfair and hidden tax.

Mr. Loiselle: Anyway, when time comes to pass judgment on this government, Mr. Speaker, I feel confident that our fellow Canadians will be first to admit that we took our responsibilities and stuck to our convictions.

Mr. Gauthier: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. member for Ottawa—Vanier (Mr. Gauthier) on a point of order.

Mr. Gauthier: Mr. Speaker, I wonder if there would be unanimous consent, in view of the rather shocking speech, the minister just made, to have a couple of questions, even though the Standing Orders do not allow them? I wonder if there would a disposition to let hon. members ask questions of the minister.

An Hon. Member: The answer is no.

[*English*]

The Acting Speaker (Mr. Paproski): There is not unanimous consent.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, I listened to the hon. Minister of State (Finance) (Mr. Loiselle) with much interest, because I know he has been looking for quite some time at this government's problem, which is to try and sell Bill C-62, the goods and services tax, to the Canadian people. I have a lot of respect for the minister's hard and arduous work in trying to sell an absolutely unsaleable proposal.

Very interestingly, Mr. Speaker, when I listened to my hon. colleague, he referred to us in opposition as if we were isolated on this whole issue. I find rather regrettable that the minister does not seem to notice the thousands of people from all walks of life, from Quebec and elsewhere, who are constantly telling us they made up their own minds the GST was no good. Admittedly, Mr. Speaker, the hon. colleague may think the dozens of Liberal members from Quebec have done a good job of convincing Quebecers, more than 75 per cent of them, that the GST is no good, because government members from Quebec have remained silent on this matter. The Minister of State (Finance) and a few other people were given the responsibility of discussing the GST on occasion. I think it is particularly disturbing that instead of asking well-informed members, members who by the way they vote in the House have shown that they support the GST, to campaign in all the provinces of this country and explain why the GST is a good deal for Canadians, instead of doing that, the government has decided to spend millions of dollars to try and convince Canadians through the media, instead of through its members, that the GST is a good deal for Canadians.

Mr. Speaker, it didn't work. We watch our hockey games, and we see people saying: Hey, Marie, we are going to get a cheque every three months. Fantastic! Who are these people? What is their income? How many children do they have? On what grounds are they saying that these people will get a cheque from the government every three months, starting December 1990? What is behind all this? It's the government's strategy for talking about the present 13.5 per cent tax and never letting its members, who are supposedly convinced of the advantages of the GST, act responsibly and stop talking about Liberals and New Democrats allegedly using scare tactics and misinforming the public. It would be only normal for the government to ask its members to do that, Mr. Speaker! These are the people who are paid to do their job, who say they are convinced, who say they understand the GST. They should be asked to go from door to door and talk to Canada's senior citizens, people in the universities and people responsible for small businesses. In other words, let them do what most members have to do as part of their responsibilities: meet their constituents. And if they do that, Mr. Speaker, I think the hon. member and his friends to your right will realize that Canadians are sufficiently well-informed about the GST to say: No! We don't want the GST!

[*English*]

As I listened to my colleague I realized that today we will have to do something which we don't often do in this place, we will have to talk about lies; we will have to talk about cowardice; we will have to talk about misrepresentation; and we will have to talk about the kinds of things the Minister of Finance was talking about in 1988, when he said: "Wilson calls Turner liar, coward, and defends national sales tax plan".

That is what we will have to talk about in this place today. We will have to talk about lies; we are going to have to talk about cowardice; and we are going to have to talk about misrepresentation. We are going to have to make sure that Canadians have an opportunity to decide who is lying and who are cowards—

[*Translation*]

Mr. Langlois: This is terrible! I can't believe my ears!

Mr. Young (Gloucester): Terrible? What is so terrible? Mr. Speaker, I listened to the hon. member, and I agree that when Mr. Wilson said to Mr. Turner that he was a liar, that he had no guts—you can see for yourself, Mr. Speaker, that Mr. Wilson did not mince words in describing Mr. Turner.

[*English*]

I want quote again the words of the Minister of Finance when he called John Turner a liar and a coward. Regarding the national sales tax in the 1988 election campaign, we find this report: " Mr. Wilson took pains", undoubtedly it was painful for him, "to play down the effect of his controversial tax proposal on Canadians, saying 'Canadians will not pay one penny of additional tax, as a result of these measures'."

Now we have the Minister of State for Finance saying that this is going to be a deficit reduction tool, that Canadians are not going to pay one penny more, not one penny more. At the same time the hon. Minister of Finance was calling people liars, he was saying that he would not be collecting one penny more from Canadian taxpayers. Let us take a look at the tissue of deception and lies that has taken place in the last seven or eight months. Let us start with the documents of the Department of Finance itself. I think it is very important to take a look at them since my hon. colleagues to your right, Mr. Speaker, get a little nervous. I know they all

understand. I know the member for Abitibi has read all of this material produced by the Department of Finance since August of last year. I know the member for Abitibi has looked at it all. I have no doubt about that. It is a simple tax. He being a simple man would understand a simple tax.

• (1230)

What I want to make sure of is that we look not at what the Liberals have have said about this and not what the New Democratic Party has said about it. Let us take a look and see what the Tories have to say about their tax.

The first document I wish to refer to is entitled *Goods and Services Tax: Technical Paper* issued by the Hon. Michael H. Wilson, Minister of Finance, August 1989. The *H* incidentally stands for "hold-up", I think. In any case this document of course was a simple document dealing with the tax, just a technical paper.

What the government did was produce this other document which is entitled *Goods and Services Tax, an Overview*. It was issued by the Minister of Finance in August of 1989.

Mr. Wilbee: It is to make sure that everybody understands it.

Mr. Young (Gloucester): My hon. colleague says we should try to make sure that everybody can understand it. Let us just start anywhere. Where should you start with a document, maybe just by happenstance, but at the beginning. This is what is says on the very first page: "The goods and services tax is an integral part of the government's agenda for securing Canada's economic future. Sales tax reform will achieve three important goals. The GST will contribute to the deficit reduction effort and ensure we can continue to pay for programs and services Canadians value".

Let us look at the very first statement made in this document published in August of last year by the government. "The GST will contribute to the deficit reduction—". However, our friend who calls other people liars, says: "Mr. Wilson took pains to play down the effect of his controversial tax proposal saying Canadians will not pay one penny of additional tax".

This was the Hon. Michael H. Wilson saying: "Not a penny of additional tax". This is the hon. minister saying at the very same time in his document produced in August of last year: "The GST will contribute to the deficit reduction effort". Which is it?

Another thing that went on in this very same paragraph was that the government said that we can continue to pay for programs and services Canadians value. This document was published in August of last year. Let us talk about the programs that Canadians cherish and value.

For example, let us talk about programs to protect women. Maybe someone in the House, like the hon. Minister responsible for the Status of Women, would like to comment on this particular document. The words were: "to continue to pay for programs and services Canadians value". The fact is not only will he not be doing it next year, we are not doing it now. As the hon. Minister responsible for the Status of Women would know, programs have been cut.

Already the first paragraph in this document can be contested very directly on the basis of the minister himself having said: "deficit reduction" and "We are going to continue to pay for programs and services Canadians value".

Let us look at another paragraph on the very first page where it states: "The GST will improve the over-all fairness of the tax system". This is the Tory way to be fair. You collect more money from Canadian taxpayers, but you redistribute it. You go from $18.5 billion, which was projected for 1991, and you collect $22 billion or $23 billion with the 7 per cent tax. I remind hon. members that these documents were produced, of course, at 9 per cent. We want to make sure we do not misrepresent the numbers.

With respect to the notion of fairness that is alluded to in this particular paragraph, go and ask the people who are supposedly going to be helped by the fairness aspect of this system, which I assume refers to the tax credit system. The problem is that the credits are not indexed. What we will have to do is take the minister's word. The

minister says: "Well, from time to time, we'll index them". If the intent is from time to time to index and to be fair, why would not the government say: "We'll just index it"? That is the fair way to do it.

Even the hon. chairman of the Standing Committee on Finance understood that. He was very clear in his statements. Many members of the Conservative Party were as well.

The Acting Speaker (Mr. Paproski): Is the hon. Minister of State for Finance rising on a point of order?

Mr. Loiselle: Mr. Speaker, I apologize to the hon. critic for the Liberal Party. Much as I would like to listen to the hon. member, I have to leave. I will be reading very thoroughly his intervention, but I have to meet someone from my riding who is being honoured. I apologize to the hon. member.

Mr. Gauthier: Mr. Speaker, I rise on the same point. We understand the minister possibly has another place where he wants to be rather than in the House listening to a good speech by the member for Gloucester. We accept the minister may have a prior commitment. We would like to have at least some ministers of the government stay with us while my colleague's speech is going on. It is a highly important speech.

Since the government does not seem to be interested in this debate, maybe we could adjourn the sitting and come back this afternoon when the government members can be in their places.

The Acting Speaker (Mr. Paproski): The hon. member for Gloucester has the floor.

Mr. Young (Gloucester): Mr. Speaker, while you were listening to the hon. member for Ottawa—Vanier, I was listening to my hon. friend for Abitibi saying that there are eight cabinet ministers in the House. That is indicative of how Tories count.

Some Hon. Members: Hear, hear!

Mr. Young (Gloucester): I know the hon. minister is worth a lot of ministers. There are two here, to be generous, and it is nice to have them here.

I want to refer again to the document produced since it will take some time to get through the process that the government set forth to be able to come forward with its goods and services tax. Again referring to the overview that was produced in August 1989 by the government, it states on the first page: "In addition to improving the over-all fairness of the tax system, lower and modest income Canadians will be better off once the GST is in place".

As I indicated, in 1988 the Minister of Finance took some pleasure in calling the Leader of the Liberal Party a liar. I can only state—and obviously we are not attributing this particular statement to any one person; it is a government document—that that is certainly a lie. Lower and modest income Canadians will not be better off once the GST is in place. Some may be, but not all, and that is the lie.

The studies produced by Pat Grady of Global Economics and by Neil Brooks both clearly indicate that the distributional aspects of the GST that was put forward by the Department of Finance are not accurate and cannot be defended. They say that they are erroneous and flawed. In fact, unlike what is alleged in this document produced by the government, it will not be the case once the GST is in place that low and modest income Canadians will be better off. It will mean that over half of Canadians, members of families earning under $30,000, will be no better off or worse off. This is in complete contradiction to what the government alleged in August of last year.

There are differing views on what it means for families to be better off. Some will be marginally better off. Others will be marginally less well off, but a number will be affected negatively. The Minister of Finance and the Department of Finance have been aware for some time of these figures produced by Pat Grady and by Neil Brooks. They simply said that they are wrong, but the government has not challenged them on the facts.

The government has not challenged them on the basis of the model on which they base their projections. In fact, both Mr. Brooks and Mr. Grady have been very outspoken in their criticism of the methods and the base used by the Department of Finance to arrive at its very optimistic projections which most people, including the people who are going to be affected by this, disagree with.

• (1240)

Poor people know that sending them a cheque every three months will take money out of circulation, while imposing a tax on practically every service that they use and every product that they buy. The Department of Finance and the Department of the National Revenue have no notion of what the implications are in terms of

the implementation of this tax for low and middle income people. Just imagine what is going to happen to anybody with less than $30,000 of income.

In order to get these cheques out in December of this year, what is the department going to base its information on? Is it going to take numbers out of the air or just conjure up a number? No. It is going to go to a data base. What is that data base going to be? What is the information going to be?

It is going to look at information on a family unit that is already two years' *passé*. In the case of a family that does qualify the department is going to send a cheque to whoever filled in the income tax return for that family. In this day and age in Canada imagine, first, the changes in family structures that occur year to year. People have had children added to their families. How will one possibly know? Children will have left the family setting. Families will have broken up. There will be divorce, separation, or death. Who is going to handle this and what is the process?

When we asked the officials of the department they told us that they do not know. There is no provision in the legislation before us.

For example, what will happen if the money is paid in excess of what should be paid? Even more important for poor people, what will happen if insufficient moneys are paid because the government was not aware of what the actual family situation was?

Where will the government find these people and how will it keep track of them as they move around? We know what a transient society we have with people moving about. How does a mother with custody of the children go and get the cheque from her spouse who filled in the income tax return the year before? How are we going to deal with poor people and low income people?

The government does not know because it has not looked into it yet. It is more interested in selling the goods and services tax as a tax proposal than it is in dealing with the real problems it is going to create by implementation.

When this document came out there were a lot of other things that were said in it. For example, one of the obvious advantages that the government has been promoting is that it will replace an existing sales tax that is a silent killer of jobs. At the same time that we were being told that, the government was increasing the federal sales tax from 9 per cent when it came to office in 1984, to 10 per cent, to 11 per cent, to 12 per cent, to 13.5 per cent.

All through this period this terrible invisible tax which the government talks about so much now had actually doubled the revenue accruing to the Government of Canada from that tax source. We are talking here about lies and misrepresentations, the way people distort and try to convince Canadians that black is white and good is bad, and that what is going to happen to them with the GST is going to be something to bring smiles to their faces.

Imagine at the same time the government going through a process from 1985 to 1988 and saying that it was creating more jobs in the country than have ever been created before. The government went before the people in 1988 and said: "We have created a million-plus jobs". At the same it had nearly doubled the tax rate, as well as doubled the revenue from this federal sales tax that it now says is a silent killer of jobs. You cannot have it three or four different ways.

I have listened to the Minister of Finance, the Minister of State for Finance and others talk about the existing federal sales tax. They have said: "Everybody agrees it is a bad tax". That is about the only truthful thing that has been said in this entire debate. Everybody agrees that the existing federal sales tax is a bad tax.

However, this is where the hook is put in. Then we hear people say that for years there have been royal commissions, task forces, and study groups, and they have all recommended this tax. That is an absolute lie. Never has any royal commission or task force recommended this goods and services tax. Never has a royal commission or any task force recommended a two tiered retail, consumer driven sales tax in Canada. Never has that occurred.

What all of those commissions and task forces said is that we have a problem with the existing federal sales tax. It has 22,000 special cases and circumstances and exemptions and so forth. It is a very thick and difficult document. It does create problems for 70,000 to 80,000 manufacturers in this country. That is a fact that is acceptable.

But no one has said: "Now go out and create a tax monster, a two-tiered administrative nightmare both for government and for business to replace it". No one has said that, and I defy anybody in this House to come forward with any statement by any respected economist,

any commission or task force that has ever suggested such a foolhardy thing.

I listened to the Minister of State for Finance today saying: "But why point a finger at us? Forty-eight other countries have done the same thing". I know that the hon. Minister of State for Finance would not intentionally mislead the House, so I want to take this opportunity to clarify that.

Not a single country in the world has a two tiered retail consumer tax—not one. There is a reason for that. It is because it is unmanageable and unfair. It is because it is too complex. It is because when you eliminate a problem from one sector of our economy, which is manufacturing, instead of causing problems for 75,000 manufacturers or so you then cause a problem for 1.6 million to 1.8 million registrants who will have to collect the GST.

When we talk about fairness, how can we possibly discuss a two tiered sales tax in Canada in every province except for Alberta that will require the hiring of at least 4,000 new tax collectors?

As I indicated, the government has been very proficient in putting out all kinds of material. In August of 1989 it came forward with the proposal. At that time it was said clearly by the Minister of Finance and the Prime Minister that that was it. It was another one of these take-it-or-leave-it deals that the government likes. The government said: "It is not going to change. We are adamant and we are going ahead".

It turned out that there was a fly in the ointment, and a big one at that. The chairman of the Standing Committee on Finance had already smelled the rat in 1988. In 1988, when the government was running around saying nothing is going to cost you more and everything is going to better and all of these programs that we are putting together in our electoral platform will not cost you a single nickel more, the member for Mississauga South, the chairman of the Standing Committee on Finance, ran the flag up the pole and said: "Whoa, that is not so".

That was a very courageous act.

Mr. Milliken: When did he say that?

Mr. Young (Gloucester): In 1988 during the campaign. That is when the member for Mississauga South made a clear statement. Based on his experience and the experience of the committee having looked into the situation in New Zealand and being aware of what had happened in other jurisdictions where the goods and services tax was opposed, the hon. member said: "Just a minute here. You are going to find a lot more money in that goods and services tax than you guys are saying".

Mr. Milliken: Is that the only Tory who was telling the truth?

Mr. Young (Gloucester): He was the only Conservative member at that point who would tell the truth and come straight out and say: "Look, that is just not going to fly because it does not make any sense".

The Conservative member for Mississauga South, the chairman of the Standing Committee on Finance, said this. I want to be fair about this since the proposal at that time was for a 9 per cent tax. Whatever the proposal was the member must have known because he made this statement. He estimated that a national sales tax would bring in between $10 billion and $14 billion in additional revenue.

Obviously, that would not be the figure at this point, and I want to be fair to the hon. member, because everyone expected that the rate would be somewhat higher than 7 per cent. Looking at what has happened elsewhere, and this is why I want to come back to what the Minister of State had to say today, you have to question whether or not the government would put itself through this masochistic exercise to maintain revenue neutrality.

• (1250)

What sane human being, what kind of government would do that, after seeing itself so low in the polls? If this continues, and I am not one to make predictions, the rate on the GST will be higher than the popularity rating of the Conservative party in this country.

Why would any government in the face of this unheard of coalition of opposition continue down this path to self-destruction? There has to be a hook, because that is the Tory way. Thank goodness that the experienced member for Mississauga South, the chairman of the Standing Committee on Finance, spotted it early and alerted Canadians to the fact that the pot of gold at the

end of the GST rainbow is a $4 billion to $5 billion windfall that will help the government on its merry way to try to buy Canadians before the next election and convince them that things are not as bad as they thought they were going to be.

I want to put this in a little bit of perspective. Consider any Canadians putting themselves in the position of the Minister of Finance and saying: "Okay, here we are now, we have Shirley Carr and the Canadian Labour Congress, we have John Bulloch and the Canadian Federation of Independent Business, we have the Canadian Chamber of Commerce, senior citizens' organizations, anti-poverty groups, professional organizations and insurance adjusters all opposed to the GST". The list goes on forever.

As a matter of fact, if I can ever get the chance, Mr. Speaker, I have over 100,000 signatures on petitions in my possession from bowlers across this country to table in this House. Imagine, men and women, young and old, people who go out for recreational bowling or competitive bowling taking the trouble to sign documents that have been certified by the Clerk—over 100,000 of them—saying "no" to the GST.

Just imagine the average average Canadian sitting there saying: "I am the Minister of Finance". Why would a person undertake the goods and services tax as it is proposed here? This is the proposal. Bill C-62 is now a package at last. Why would you do it, when some people say, and the documents maintain it, that it is revenue neutral? The Minister of Finance said it is not going to cost Canadians one penny of additional tax. Yet you have got 80 per cent of Canadians outraged. You have got small business in such an angry state of mind that the Minister of Finance has refused to meet John Bulloch now for months and months and months. He will not talk to him, or have anything to do with him, a person who represents some 80,000 Canadian small businesses. All of these people are massively opposed to the GST and here is the government saying: "We are going to continue going ahead with it anyway".

Talking about tax cuts, the government has shut down VIA Rail and laid off people all over the place. It has cut back on programs, closed down shelters for women and cut off funding for information media for aboriginal peoples. The government has done all those things, Mr. Speaker, but then says to the Canadian people, because it wants to be consistent: "In order to collect this revenue neutral tax that is going to be good for Canadians we are going to hire a minimum of 4,000 new tax collectors, and we are going to hire 250 specialized people who will be tax police. We are going to recruit from the commercial fraud section of the RCMP and anybody who has a background in tax and being able to see through all these problems".

Mr. Speaker, just put yourself in the position of being an ordinary Canadian sitting in your living room saying: "I am going to pretend I am finance minister. So what am I going to do? I am going to put a tax on people that they despise. It is going to turn 80 per cent of Canadians against me. I am not going to have one penny more left after I have gone through all of this exercise. I am going to have 4,000 new tax collectors on my payroll. They are going to be all over the place checking into everybody and all of their dealings. I will not be able to get into a cab because the guy will slam the door on my hand, because I have to have my hand out to collect the GST". So here you are a finance minister who is going to have to walk for the rest of your life or drive your own car.

The finance minister cannot go and get a haircut because, even though there is not too much business now for a shave and a haircut, the barber may decide to give him a shave with a straight-edge razor.

The finance minister cannot go to a movie theatre because he would walk in and the people standing in line would say: "Well, well, well, this is the guy who is costing me an extra 7 per cent to go into a movie theatre."

He cannot go to a hockey game. The finance minister is going to have to become a hermit.

This whole question is going to be part of the Canadian game and there is not much humour in this affair, to say the least. But with Michael H. Wilson you are never sure. Is it "hold-up"? Is it "hermit"? What does that "H" stand for?

The question I want to put to Canadians is: If you were sitting there actually thinking about doing this yourself, would you undertake this perilous journey down the slippery slope of goods and services tax and say: "Not a penny more? Everybody is going to be mad at Mike. But I am going to have 4,000 new people on the federal payroll collecting taxes, tormenting people, running around and auditing people, finding out if they are registered, checking the paper trail, doing all the kinds of things that so outraged Canadians not that many years ago with the income tax system". I think that no matter

how many pieces of paper the government produces it will not change their mind.

There is so much paper here concerning this tax. It has been one of the most savage attacks on Canadian forests that we have seen in a long time. Not everybody is going to accept this tax. The government has produced all kinds of paper, and we are just at the August documents at this point.

At that point in August, these were the pamphlets, Mr. Speaker, if you can imagine, that the government put out to explain this simple tax. There is information for senior citizens, for barbers and hair-stylists, for convenience stores, for exporters, housing, self-employed tradespeople, farmers and fishermen, information for dealers and used vehicles, information for commission agents, information for tutors and instructors, information for travel agents and tour operators, information for real estate agents, information for students, information for pharmacies and drug marts, information for taxi limousine drivers, information for service station operators, and information for charities.

These are just the booklets to help explain what goes on here. This is just the beginning of this savage attack on the forests of Canada to try to make sure that Canadians understand the goods and services tax.

At the same time, I want to tell you, Mr. Speaker, that there was a previous document that we missed. This document came out with the 1989 budget.

One of the reasons that Canadians are not too convinced about the goods and services tax is because in 1989 in the budget you may recall, Mr. Speaker, the Minister of Finance was predicting interest rates around 10 per cent by the end of the year.

Mr. Speaker, you could imagine that would throw a few people off when they are looking at other things that are said in here. This document was brought out with the 1989 budget. It misrepresents what the goods and services tax has become because it talks about simplicity, fairness, revenue neutrality and integration.

None of those basic elements has been achieved. That is why, as the government continues on its attempt to try to tell Canadians what is good about the GST, it has even failed, Mr. Speaker, as you well know, to convince members of the government. That is why we will not have a free vote later on today when we have a vote.

Two people who even decided to exercise minimum freedom have been expelled.

Mr. McCreath: How may free votes did the Liberals have?

Mr. Young (Gloucester): I am just listening to the hon. member for South Shore. I know he is upset about this tax.

The Acting Speaker (Mr. Paproski): It being one o'clock I do now leave the chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NATIONAL CITIZENSHIP WEEK

Mr. Gus Mitges (Bruce—Grey): Mr. Speaker, today our government honours a number of our citizens who have made significant contributions to their nation. Citation for Citizenship awards exist so that we can publicly acknowledge individual Canadians who care enough about our nation to proclaim their citizenship for all the world to hear. They care enough about Canadian values to do something to make a difference in their local communities for their fellow citizens.

These awards are given to individuals and organizations who have continuously shown a commitment to their Canadian citizenship and all of the rights and values that accompany being Canadian.

This year's recipients have made outstanding contributions to citizenship in areas ranging from literacy to human rights to multiculturalism. Their contributions represent the partnerships that build our nation.

I call upon all hon. members of the House to join me in applauding these respected fellow citizens and to participate in events during National Citizenship Week, April 15 to 21.

[*Translation*]

RAILWAY TRANSPORTATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, on January 31, 1990, the National Transportation Agency ordered the CN to restore service on the branch line from Franquet to Chapais, in the Abitibi area, by July 31, 1990.

During the hearings, the Agency learned that the CN had closed off that section in contravention of a ruling made by the Canadian Transport Commission, on November 19, 1987, requiring the rail company to keep that branch line open.

In its ruling (45-R-1990), the Agency makes the following recommendations: Illegal closure of branch line; as mentioned before, the Agency thinks that the illegal closure of that branch line is a serious offence. Consequently, pursuant to section 173(2)b) of the 1987 NTA, it recommends the Attorney General of Canada to consider sueing the plaintiff for violating of the Commission ruling.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. Stan Keyes (Hamilton West): Mr. Speaker, the GST is nothing more than government sanctioned theft. I rise today to report that the constituents of Hamilton West say no to Bill C-62, the GST.

In a poll conducted through my latest householder, there were those who were in favour and those who were opposed. In favour, 144; opposed to the GST, 1,155. They know that the tax is regressive and will take money out of their pockets and out of the pockets of those who are least able to pay. They know that the tax is unfair; that the tax credits are not fully indexed to inflation. They know that the tax will be inflationary, adding at least 2.25 per cent to the rate of inflation, signalling the Bank of Canada to maintain high interest rates.

The Conservative government is not even prepared to listen to the people. Again today, the government will not hear the petitions signed by hundreds of thousands of Canadians opposed to the GST. So, Mr. Speaker, constituents of Hamilton West join the overwhelming number of Canadians who say no to this Conservative government and no to the GST.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, in the last three days more than two million Canadians have expressed their opposition to the Goods and Services Tax.

They have protested against this deeply unfair tax which does not differentiate between rich and low income families.

Recent polls show that 80 per cent of Canadians are against the GST.

As members of this House, we are all accountable to the Canadian people. Members of my party have joined the protesters ever since the GST was introduced. We know the Canadian people want a real and equitable tax reform.

I therefore call on all members of Parliament to join the tax fairness movement and vote against the GST.

* * *

NATIONAL CITIZENSHIP WEEK

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, I take the floor for a few minutes to tell my colleagues that, for the third consecutive year, the Minister of State for Multiculturalism and Citizenship awards civic merit certificates to mark National Citizenship Week.

The theme of this year's celebrations—from coast to coast—fittingly applies to the contribution which certificate holders have made to our society. Their dedication can be felt from coast to coast and involves a wide array of important sectors of Canadian life.

This year's laureates, including four organizations, are active in major urban centres and smaller rural communities. Deeply aware of their responsibilities as Canadian citizens, they proudly display uncommon public spiritedness and commitment, and they highlight the ideal epitomized by the Canadian flag which was raised for the first time 25 years ago.

Their contribution reaches indeed from coast to coast and, if Canadians are known the world over as a nation

where peace, diversity and humanism are traditional hallmarks, for that we are indebted to Canadian men and women like those we honour this week.

Mr. Speaker, I would urge my colleagues and all Canadians to express their appreciation to the recipients of the civic merit award—

Mr. Speaker: The time allocated to the hon. member has expired.

* * *

[*English*]

STANDING COMMITTEE ON COMMUNICATIONS AND CULTURE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, Eine Kleine Nachtmusik, the St. Matthew Passion, the Emperor piano concerto and il Noce di Figaro are examples of musical compositions well-known to millions of Canadians and written by, to use the words of the Chairman of the Standing Committee on Communications and Culture, "musicians from some other country".

One would think that the Standing Committee on Communications and Culture would be supportive of the arts in Canada. Why does the government attribute such a low priority to the arts as indicated by its choice of chairman of this committee? Surely Canada's cultural community deserves support, not the slings and arrows of outrageous fortune hurled by Tory mugwumps.

* * *

TOURISM

Mr. Peter L. McCreath (South Shore): Mr. Speaker, notwithstanding the Ottawa weather, spring and summer are rapidly coming to Nova Scotia's beautiful South Shore.

This past weekend, the South Shore Tourism Association had a highly successful annual meeting with over 200 in attendance. Tourism is one of Canada's most rapidly growing businesses, and not surprisingly, in Nova Scotia.

If you like wonderful beaches, beautiful seascapes, wonderful landscapes and a glimpse of Canada's history, plan to come to Nova Scotia's South Shore this year for your vacation.

I encourage all Canadians to consider Nova Scotia as their vacation destination this year. Come to where the hospitality is warm and there is so much to see.

The South Shore Tourism Association has produced an excellent and thorough guide, copies of which I would be pleased to make available to all members.

* * *

CANADA–U.S. SUMMIT

Mr. Jim Peterson (Willowdale): Mr. Speaker,

A Canada–U.S. summit
Takes place tonight under the Dome,
The agenda is Eastern Europe,
Clean air, our new Mexican home.

They will not talk about trade,
'Cause the auto pact's shot to hell.
They won't even mention takeovers,
We've nothing left to sell.

They will not talk about water,
Oil, gas or secure supplies;
The U.S. agenda is finished,
What's ours is theirs, no surprise.

And paying us won't be a problem,
They keep their interest rates low.
And American Express will finance
Wilson and Governor Crow.

And when Brian gives advice on taxes,
George again will have the last word.
"An American GST, never,
How could I be such a nerd?"

Before our Blue Jays beat Texas,
Our leaders will throw the first pitch;
And then George will turn to Brian
And say "Read my lips".

"The people can't stand your new tax,
It's regressive, oppressive and unfair,
So be a good boy and join with me
As together, we all declare"

Some Hon. Members:

Hey hey, ho ho
The GST has got to go.
Hey hey, ho ho
The GST has got to go.

* * *

SOCIAL BENEFITS

Mr. Stan Wilbee (Delta): Mr. Speaker, Bill C–21 proposes improved special benefits for needy unemployment insurance recipients throughout Canada.

Natural fathers cannot receive parental benefits today, but will be entitled to do so by C–21. Natural mothers and adoptive parents too, will be entitled by C–21 to receive parental benefits in addition to any benefits for which they otherwise qualify. And these special benefits in general, now subject to a cap of 15 weeks, will be provided to a maximum of 30 weeks by C–21.

Some of these changes follow through on previous court judgements and thereby make the UI system as consistent as possible with the Charter of Rights and Freedoms.

Together with other improvements to the UI system proposed in Bill C–21, these benefit provisions are necessary changes to an out of date system that should be put behind us. I urge all members of the House to do their bit and help make this happen.

* * *

LAND CLAIMS AGREEMENT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, for the second time in ten days I am pleased to offer congratulations on the signing of a land claims agreement in northern Canada.

The Dene–Métis of the Northwest Territories, who last night signed a final agreement on their long–standing claim, are the second in such a length of time to do so. This is a credit to the spirit of the Dene–Métis and to those who have supported the long struggle that they have led for justice in the north.

All Canadians should celebrate the signing of this agreement because settlement of land claims works to the benefit of all communities and all Canadians. Whether it is the development of resources or the establishment of national parks, only when all parties have clearly defined their rights can progress take place.

I congratulate the Dene–Métis people, the Government of the Northwest Territories and the Minister of Indian Affairs and Northern Development. The settlement of the Yukon First Nations claim and the Dene–Métis claim are important steps in the right direction. I urge the minister to continue to resolve other outstanding land claims. First Nations deserve nothing less.

• (1410)

THE RIGHT HONOURABLE ROLAND MICHENER

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, on behalf of my constituents of Wetaskiwin and the people of Canada, I rise in the House today to extend best wishes to a constituent, former Governor General Roland Michener, who will celebrate his ninetieth birthday on April 19.

Daniel Roland Michener was born in Lacombe, Alberta. He first served as an Ontario provincial member and cabinet minister and then went on to serve as a federal member of Parliament and Speaker of this House from 1953 to 1962. In 1967 Prime Minister Pearson appointed him as Governor General of Canada.

Throughout his distinguished career, he has had a positive influence on all Canadians. I know he made a significant contribution to Canadians physical fitness by his own personal example.

Once again, I would like to take this opportunity to salute his efforts for all Canadians, and ask the House to join me in wishing him a very happy birthday and continued good health.

Some Hon. Members: Hear, hear!

* * *

LAND CLAIMS AGREEMENT

Ms. Ethel Blondin (Western Arctic):

[*Editor's Note: Member spoke in Slavey.*]

[*English*]

Yesterday was a very historic moment for the Dene and Métis of the Western Arctic. They initialled a land claims agreement with the federal government.

My grandfather was a signatory to Treaty 11 in July, 1921. I believe he would be proud of our people who have come together and have made the decision to go forward and initial this agreement.

I congratulate my people. After almost two decades of negotiating with Ottawa, this agreement gives control and management of their affairs to the Dene and Métis of the Northwest Territories. By initialling this agreement the leaders have given the opportunity to the people in the communities to study and vote on the

arrangements that have been negotiated with the government.

I commend the Dene and Métis leaders for their skill, their tolerance and their had work.

* * *

GOODS AND SERVICES TAX

Mr. Garth Turner (Halton—Peel): Mr. Speaker, yesterday we witnessed a poorly-attended demonstration on the Hill against the GST featuring the Communist party, the CLC and the Pro-Canada Network, with special guest appearances by the members for Edmonton Southeast and Calgary Northeast.

If these members are so eager to join with the Communist party in opposing the tax, maybe they should join the Communist party and stop being all things to all people and stop being Tories of convenience.

* * *

MUSEUM CORPORATIONS

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, Bill C-12 establishing the four museum corporations has been delayed for some time now. The result is that more than 56 appointments that need to be made have been held up.

I would hope that this delay is for good reasons. I hope the government has been delaying these appointments only because of its search for good quality people. These corporations deserve first class appointments who will contribute to the good of the cultural community.

Let us hope that this delay has nothing to do with the *Voice of Fire* controversy or any discomfort that the government may have with the arm's length relationship with cultural agencies. Let us hope that this is not old-fashioned government indecision.

I urge the government to get on with these appointments for the sake of the cultural community, and especially for the sake of the museum corporations which have a lot of work to do.

GOODS AND SERVICES TAX

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, we have all heard of the Calvin Klein and Alfred Sung lines of fashions. Today, I am going to introduce the latest in men's fashion; it is the Michael Wilson GST slacks. They are manufactured by Cambridge Clothing—

Mr. Speaker: The hon. member is exceeding the bounds of the proper use of a member's statement.

ORAL QUESTION PERIOD

[*Translation*]

INTEREST RATES

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is directed to the Deputy Prime Minister. The Prime Minister stated a few weeks ago that interest rates in Canada would come down shortly. The Minister of Finance based his budget estimates on an 11 per cent interest rate for the current year. Finally, last weekend, the Minister of Finance stated in London that interest rates in Canada would not come down. My question to the Minister is this: What really is the policy of the Canadian Government concerning interest rates in this country?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, this Government is well aware of the need to reduce interest rates for an efficient economic performance. But the fact is that we just cannot reduce them artificially by simply pushing a button. The best way to go about it is to reduce inflationary pressures thus making it possible to bring and keep interest rates down.

As for the rates which appeared in the budget, I submit that since they apply to the year beginning April 1st, we hope that the policies we are taking combined with favourable international conditions will help us achieve our objectives.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. Douglas Young (Gloucester): Mr. Speaker, again in the area of contradictions the Minister of Finance has

stated and the Minister of State said this morning that the goods and services tax will be revenue neutral. Documents prepared by the Department of Finance say the GST will both be revenue neutral and will serve to reduce the deficit in this country.

The chairman of the Standing Committee on Finance says that the GST is going to raise an extra $4 billion to $5 billion. The Minister of State for Finance discussed this matter this morning. Is the government prepared to tell the Canadian people that the goods and services tax is the biggest tax grab in Canadian history?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I am sure the hon. member would not want me to lie to this House, therefore I will not say that.

There is something that the hon. member and many of his colleagues have great difficulty in understanding. When we say that the GST will contribute to deficit reduction, that does not mean that we will grab an awful amount of money and use it. It means that this type of tax is less porous, less prone to avoidance than the one we have. The present tax leads to evasion.

Second, because it will have a very positive impact on our economy, it will be the equivalent of $9 billion in our economy. We hope that this performance of the economy will contribute to higher government revenue.

Mr. Douglas Young (Gloucester): Mr. Speaker, the Prime Minister said this morning that Canadians are going to love the goods and services tax.

In view of the fact that the Prime Minister and others have said that the problem with the goods and services tax is that Canadians do not understand it, can the Deputy Prime Minister explain to the House why he will not allow a free vote this afternoon on this bill if he is convinced that members of his government understand the goods and services tax?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am going to vote the way I want and I hope the hon. member does the same thing.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, my question is directed to the Deputy Prime Minister. The Government insists that families will not be unfairly treated under its GST. We are all aware that in Quebec, footwear and clothing at a certain price are deemed to be basic items and therefore non taxable. Why does not the Conservative Government offer the same exemptions? Or better, why does it not completely abandon this tax which is unfair to Canadian families?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, it goes without saying that I do not share the view of the Hon. Member as to the unfairness of this tax. Quite the contrary. Obviously a great many categories of people and goods would like to be exempted, which would compel us to increase the rate. We are determined to keep the tax base as wide as possible. Having already exempted groceries, drugs etc., we feel that by maintaining as wide a tax base as possible and giving low income families significant credits, we will end up with a much better and fairer tax system.

• (1420)

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): My supplementary question is still for the same minister, since the Deputy Prime Minister does not want to answer. Middle-income families will have to pay on everything they buy—food, clothing and shoes. Why is the government so determined to make life miserable for these families?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, once again, I would say that is certainly not our intention. You must understand that in the end, Canadians will pay the same amount. The government will still collect $18 billion. Basically, it is a different breakdown, which will quite specifically protect various categories of people, like seniors or those on lower incomes. In particular, credits will be provided for those earning up to $40,000, and those earning up to $30,000 will come out of the reform with more money than they had before.

[*English*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Deputy Prime Minister. By now the

Deputy Prime Minister must know that more than 2 million Canadians registered their opposition to the goods and services tax by signing a ballot through a national campaign organized by the Canadian Labour Congress and the Pro-Canada Network.

Last weekend in the shopping malls, on street corners and in the workplace, citizens took the time to give this government a message. They voted against the unfair tax in perhaps the largest protest vote in the history of Canada.

Will the Deputy Prime Minister admit that this government has no mandate to impose this tax and will he simply submit to the Canadian people this government's alternative to this unfair tax?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to tell the hon. Leader of the NDP that there is no great merit in inciting people to sign petitions against taxes, any taxes. The New Democrats should try this against income tax because they would probably get a few million signatures.

We have been listening to Canadians and we will continue to listen to them. They told us that they want a fair tax system. This is what we are providing. The opposition systematically hides this fact from Canadian citizens, but we will continue to work hard to explain to the people why we are undertaking this reform and why it is good for them.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is for the Deputy Prime Minister. Yes, this government is listening to Canadians. It is listening only, however, to the Council of Bankers and to the National Council on Business Issues. We are asking this government to listen to the Canadian people.

As one example, Mr. Speaker, today in the news we are informed that the government has extended a tax break for its friends on Bay Street. Can the Deputy Prime Minister tell us why stockbrokers will get more tax breaks while ordinary Canadians are going to be taxed on muffins and movies?

Where is the fairness? Scrap the tax now. Listen to all Canadians.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would not expect the Leader of the NDP to understand very well the functioning of a free economy. But the measures we have taken are precisely devised to prevent tax avoidance. We want our industry to remain under Canadian control and this is why these measures have been taken.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): I have a supplementary question for the Deputy Prime Minister. This government and its friends in the Business Council on National Issues are the only ones who like the GST. Eighty per cent of Canadians are against the GST. Yesterday, people throughout the country told the government that they do not want this tax. More than two million people who voluntarily filled in a ballot voted "no". When will the government accept the judgment of all these people and present fairer alternatives?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I believe that the Leader of the New Democratic Party must admit that of course Canadians, like people in other countries, do not usually like taxes, and I think members on both sides of the House would agree that asking their opinion on this does not have much merit. You must understand that we are implementing a change, a tax reform, that is good for Canada, that will create jobs, that will encourage better use of our resources and that will release our economy's productive capacity.

* * *

[*English*]

ATLANTIC CANADA

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. The lobster fishermen of Atlantic Canada are concerned as to what help they will receive from the much-promised aid package for Atlantic Canada.

Will the minister tell the lobster fishermen of Atlantic Canada if they are included in the aid package, if there is one?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, if the question is about whether or not the federal government will participate with the lobster industry and the provinces in trying to find a solution to the inventory problem experienced, the answer is yes.

If that is not the question, maybe the hon. member should take his sheet and read it more carefully so that I can get his real question.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, the fisheries aid package should also be used for wharf and harbour repair in Atlantic Canada.

My supplementary question is for the same minister. Before there is—

An Hon. Member: Read it slowly, he can't understand.

Some Hon. Members: Slowly, slowly.

Mr. Speaker: The hon. member has the floor. The hon. member will put his question.

Mr. MacAulay: Mr. Speaker, my supplementary question is for the same minister. Before there is unnecessary loss of life, can the minister assure us that the needed wharf repair and harbour dredging will be done before the fishing season opens, which is just around the corner?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I could warn the hon. member to tell his researcher not to apply in my shop because he has no chance in it.

If the member wants to bring to my attention a particular port where there is a life-threatening situation, I am sure I will want to look into that matter.

* * *

NATIONAL UNITY

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Deputy Prime Minister. Yesterday in the House of Commons the Prime Minister of Canada balked at the opportunity to refute the comments of the Minister of the Environment who suggested that in future Canadians may have to choose between Quebec and Newfoundland.

When a minister in Newfoundland spoke out of turn, the Premier of Newfoundland disavowed those comments immediately. When the Minister of the Environment of Canada makes inflammatory statements, the Prime Minister makes excuses.

My question is straightforward. Will the Deputy Prime Minister advance the cause of national dialogue in Canada by dissociating the Government of Canada from the irresponsible speculation of the Minister of Environment?

• (1430)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, unfortunately *Hansard* for yesterday is not available.

Mr. Gauthier: Yes, it is.

Mr. Mazankowski: I would refer the hon. member to the answer that the Prime Minister gave yesterday where he quoted in full the context within which the hon. minister's comments were made, and I think that that explained it very clearly.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, Canadians have no desire to choose between members of the Canadian family—

Mr. Bouchard (Lac-Saint-Jean): Ratify the accord, then. We will be a family when you ratify the accord.

Mr. Tobin: —and to ignore the remarks of the Minister of the Environment by twisting and turning, trying to escape the import of what was said is to condone those remarks. That is something that neither the government nor Canada can afford.

Will the Minister of the Environment himself withdraw those remarks, make a contribution to Canada by putting an end to words that are offensive to the spirit of Confederation, and particularly offensive to the people of Quebec and to the people of Newfoundland? Withdraw them now.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I have nothing further to add to the Prime Minister's response to the hon. member's question yesterday. It is pretty clear. When an hon. member is quoting a minister or any other member—

Some Hon. Members: Oh, oh!

Mr. Tobin: Let the minister speak.

Mr. Mazankowski: —he or she should quote it in its fullest context and not be selective, as the hon. member has been.

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of Mr. Aklilu Afework, Minister for Foreign Economic Relations of Ethiopia.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

WOMEN'S CENTRES

Mr. Phillip Edmonston (Chambly): Mr. Speaker, my question is directed to the Secretary of State. A spokesperson for the Secretary of State pointed out that the 100 per cent cuts affecting 39 women's centres in Quebec have had a beneficial effect, since the centres will now receive $10,000 from the Government of Quebec instead of $8,500 from the Department of the Secretary of State. How can the minister claim this has a beneficial impact on women's centres in Quebec? Is that his idea of viable federalism?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I had an excellent meeting this afternoon with representatives of women's centres. I am familiar with their work and I know how important it is to the community. I may add that last Friday, I had the pleasure of meeting the provincial minister responsible for the Status of Women, Mme Violette Trépanier. We had an in-depth discussion about the future of the centres, and ways in which we work together effectively to guarantee the vitality of these mechanisms which are so important to the community.

[*English*]

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the Secretary of State said that he had a pleasant meeting with the women of Quebec today. From what I understand from that meeting, he made it clear to them that this decision to cut $1.6 million from women's programming was not simply his decision but the decision of the entire cabinet.

The Secretary of State is now paying for women from Newfoundland, British Columbia, Nova Scotia, and Yukon to fly to Montreal, business class, and to stay at the Dorval Hilton in order to meet with him on Thursday.

The Secretary of State is also spending an estimated $500—

Mr. Speaker: I wonder if the hon. member would put her question.

Ms. Black: Thank you, Mr. Speaker. Every dollar that is not spent on women's centres directly is—

Mr. Speaker: The hon. member is getting into a speech. I know she has a question, and I would ask her please to put the question.

Ms. Black: My question is this: instead of spending money on extra security, instead of flying women all over the country, business class, will the Secretary of State reinstitute the core funding to women's programming, and will he do it today?

Mr. Speaker: I must advise hon. members, especially those who wish to ask questions, that if I have to interrupt and delay, it takes time out of your colleagues' questions later on. The hon. minister.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, there are almost 200 women's centres across Canada, from Newfoundland to British Columbia including the Yukon and the Northwest Territories. Many of them have indicated a desire to meet with me as quickly as possible. While I am always available and would like to have that dialogue, I did feel it was important to have a few of them come to meet with me so that I could hear their concerns.

Is the member saying that I should not be meeting with any women's group on Thursday? Is that what she is saying? We have a very important program—

Some Hon. Members: Yes or no.

Mr. Speaker: The hon. member for Wetaskiwin.

* * *

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

As we heard during the members' statements yesterday, the minister signed an historical agreement with the Dene-Métis people.

Some Hon. Members: Hear, hear!

Mr. Littlechild: This agreement is welcomed by Canada's native people and I am sure by all Canadians.

I would like to ask the minister if he might inform the House on the specifics of the agreement and what ratification process will be necessary to approve it.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I thank the hon. member for a question of significant importance not only to the Dene-Métis people of the western Arctic but to all Canadians.

The agreement which was concluded yesterday, a final agreement with the Dene-Métis people, recognizes the special status of those Canadians who occupy their homeland known as Denendeh. This agreement, in its main elements, provides the Dene-Métis with cash compensation of $500 million, a land quantum of some 70,000 square miles, a share of any future resource royalties the government collects on resources developed in these areas, and a significant voice in the ongoing management of wildlife and the environment.

All members are extremely grateful to the Dene-Métis people for the confidence they have shown in Canada. We are grateful to them. I say to the Dene-Métis people: *mahsi cho*, thank you very much.

* * *

FEDNOR

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

On February 20, the Minister of Finance said in his budget address: "Today, I am asking Canadians to join with me in a program to reinforce our efforts to control government spending."

The very next day the board of directors at FedNor increased their per diem rate by over 20 per cent.

How does the Deputy Prime Minister reconcile the position of the government, as given by the Minister of Finance, with what the minister responsible for this agency did the very next day?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member knows full well that FedNor does not increase its own honorarium for its own board, but perhaps it should when one considers that FedNor has already created over 2,000 jobs in the member's area and close by.

FedNor itself has generated 332 businesses that did not exist three years ago. FedNor is making a contribution to northern Ontario like no other regional agency ever has.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I have a supplementary question. That certainly was not an answer to the question I asked.

Let me ask a question from his own press release. The advisory board stated that since FedNor began it maintained a business-like bottom line approach to all its activities.

I ask this minister what is business like and what is bottom line when someone asks the Canadian people to observe restraint and he allows his agencies to do exactly the opposite?

• (1440)

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the FedNor board has been one of the hardest working federal boards established since 1984. Part of the reason it is so busy has been recognized in the announcement I made last week.

Members opposite wrongly said that FedNor was going to be hurt by recent changes in the budget. The exact opposite is true. We announced last week a 26 per cent increase in FedNor's budget. We also announced, very importantly, that from $100,000 or less FedNor could continue giving grants and contributions and not just loans. That is 90 per cent of its present business.

I would like the province of Ontario to follow our lead and continue to have a hard working northern Ontario economic expansion.

* * *

AIR SURVEILLANCE

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Supply and Services who earlier today said that one of his primary objectives as minister is to maintain fairness and integrity in the tendering process.

In the case of the controversial east coast surveillance contract and concerns raised earlier in January by a number of the bidders who felt that the bid was written to favour one company, in effect sole sourced, the minister's silence was damning.

Was the minister made aware of these concerns when they were first raised and, if so, why did he still insist on dancing to the jig of Tory lobbyists, instead of protecting the integrity of the federal contracting system in this country?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, the hon. member asked me the question in committee this morning and I gave him a very full and detailed answer. He is obviously trying to play for some political partisan purpose today in talking the way he has.

Some Hon. Members: Oh, oh!

Mr. Nault: What kind of business do you think we are in?

Mr. Speaker: The hon. minister.

Mr. Dick: Thank you, Mr. Speaker. Three companies out of the 14 that were invited replied. Two of them were compliant: one from the Atlantic provinces and one from Calgary. We chose the one which was the cheapest.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is to the same minister.

Prior to today, was the minister aware that there were proposals on the desks of his colleagues, the Minister of Fisheries and Oceans and the Minister of National Defence that would have seen the government owned tracker aircraft fleet operated by the private sector providing increased surveillance at the same cost and also save the badly needed jobs in Summerside, P.E.I.?

If he was aware of that, then why the suspicious haste to effectively sole source a $28 million tender?

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I do not know what specific proposals he might have had on somebody else's desk, but if he had wanted me to know about them he could have put them on my desk.

I do know that the third person who put in a response was non-compliant. If he wants to be a spokesperson for Ken Rowe, why does he not just stand up and say so? It was a non-compliant bid.

* * *

HOUSING

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, my question is for the Minister of State for Housing.

As the minister knows, Toronto City Council must decide by Thursday whether to bid to host the 1996 Olympic Games and their decision turns on whether CN will sell 50 hectares of its former railway lands to the City Non-Profit Housing Corporation so that they can provide 3,200 units of housing, first for the olympic athletes and later for affordable housing for low income residents.

CN is stalling. They are demanding, instead, an upzoning for commercial towers on land nearby.

Will the minister use his good offices to persuade CN to drop this stance and use public land for the public purpose of the Olympics and affordable housing?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, CN is discussing the matter with the city of Toronto. I can assure the House that federal government support will be consistent with that which was given to Calgary for the latest Olympics. We are in the game with the Toronto bid with a full range of essential services. We believe that the negotiations are going forward. We see no reason for the government to interfere.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, in view of this government's pledge to provide public land for affordable housing in Toronto, will the minister seek the support of his cabinet colleagues to provide this 50 hectares of land, not used any longer for railway purposes, to be used for the government's declared purpose of public, affordable housing?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, CN is very cognizant of the commitment to assist the city and to help with housing. All of CN's plans are based upon agreements between CN and the city, and have been approved by the Ontario Municipal Board.

[*Translation*]

RAILWAY TRANSPORTATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Justice and Attorney General of Canada. In 1987, CN unlawfully closed the section between Franquet and Chapais, in Abitibi. In Decision 45-R-1990, the National Transportation Agency recommended that the Attorney General of Canada prosecute CN.

My question is as follows: Could the minister inform the House whether she read the letter dated February 13, 1990, sent by the Hon. Erik Nielsen to the Minister of Transport, in which he asks, and I quote: "to take all measures you may judge desirable to enforce the agency's recommendation". I would also like to know when you intend to take action on this troublesome issue.

Hon. Kim Campbell (Minister Justice and Attorney General of Canada): Mr. Speaker, indeed I did read Mr. Nielsen's letter, and the hon. member is aware, CN has applied to the Federal Court of Appeal for permission to appeal the National Transportation Agency's decision dated January 31, 1990. I shall therefore have to await the court's decision before taking any further action on this matter.

* * *

[*English*]

HEALTH

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is to the Deputy Prime Minister in the absence of the Minister of Health.

On Sunday, April 8, in a follow-up to a death in Winnipeg, W-5 showed that there is no clear accountability for the rules and regulations overseeing medical drug studies affecting thousands of Canadians and their safety.

What is the minister going to do to ensure that there is accountability, that someone or some organization is ready to accept the responsibility for the clear interpretation and application of the rules and regulations dealing with the testing of new medication affecting the safety of thousands of Canadians?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the particular case to which the hon. member referred is very sad for everyone. However, I think it would be inappropriate to comment on this matter right now, given the fact that the matter is being investigated by a medical examiner at the present time.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, why does the minister not suspend the Volmax drug studies in which Candace James was involved at the time of her death, until he knows that there is absolutely no danger to anyone's safety?

[*Translation*]

Why not stop the study, Mr. Minister?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Mr. Speaker, if we stop the study, this would prejudice the current investigation.

* * *

[*English*]

FUNDING FOR WOMEN'S CENTRES

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is to the Minister responsible for the Status of Women. In light of the solidarity of women's centres nation-wide to refuse project funding until her government resolves the core funding issue, can the minister tell the women of Canada that there is a light at the end of the tunnel and that core funding will be restored?

• (1450)

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I am very pleased, as the member knows, to have had the opportunity to meet last week with representatives of women's centres in Halifax and Newfoundland, and today from Quebec. I am pleased that my colleague, the Secretary of State, is also going to be meeting with them to see if there is a method of resolving some of the difficulties.

I cannot give her the assurance that core funding will be reinstituted, but I know that my colleague is looking at methods to try to find a resolution of this very difficult problem.

Ms. Mary Clancy (Halifax): Mr. Speaker, the minister says she knows and says she understands how these women feel. We want to know whether she has managed to convince her colleagues to change the policy or is she too, like Canadian women, being ignored and overlooked and are her efforts a failure?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I am sure my hon. colleague would agree that none of the women in this cabinet would ever be ignored by their colleagues. They would do it at great risk, I can assure you.

While we cannot give a definitive response today on this issue, I hope to work with my provincial colleagues so that we can come forward with some better plans in the long term for delivery of services to women at the community level, which will involve different levels of government and the communities to provide these much needed services.

* * *

INTELLIGENCE

Mr. John Brewin (Victoria): Mr. Speaker, my question is to the Solicitor General. According to reports published today, the United States government, over an extended period of time, persistently engaged in illegal intercepts of the conversations of René Lévesque, then the duly elected Premier of Quebec.

I am sure the Solicitor General will agree that both the intercepts are illegal and that the acts are completely unacceptable behaviour by a so-called friendly government to Canada.

Can the minister tell the House, first, did the federal Liberal government of the day know of and acquiesce in these intercepts and, second, who else in Canada is being spied on by the United States government?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, first of all I would like to point out to the House that the press reports to which my hon. colleague is referring are related to a book that was released yesterday.

Considering that I have not had time to read the book since it was released yesterday, it would be inappropriate for me to comment.

On the other hand, I would like to take this opportunity to reaffirm the policy of the Government of Canada that any intelligence operation in Canada can be conducted only with the consent of the Solicitor General and under Canadian control.

Mr. John Brewin (Victoria): Mr. Speaker, when the minister and his department get around to reading the book, I hope that they will then take the obvious response—

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Brewin: Mr. Speaker, will the minister take steps, as soon as he has absorbed the details of the book and verified the accuracy of the account, to advise the United States government that the behaviour in that case was completely unacceptable and will he get plausible, clear assurances from the United States government that this action will not happen again?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I take it for granted that if my hon. friend in his first question referred to the press reports, it is because he also has not had time to read the book.

I can assure this House that appropriate steps, if necessary, shall be taken and we will take cognizance of the book.

* * *

[*Translation*]

CATELLI FOODS

Mrs. Carole Jacques (Mercier): Mr. Speaker, my question is for the Minister of Industry, Science and Technology.

On April 7, the workers at Catelli in east-end Montreal ratified a new three-year collective agreement by a 53 per cent majority. Catelli management said that this new agreement, which lowers wages and eliminates many benefits for employees, was essential if the plant was not to close.

Mr. Speaker, since the Catelli employees have done more than their share in accepting considerably reduced working conditions, what does the federal government

intend to do for its part to ensure that the Catelli plant is restructured and modernized in the short term?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, Quebecers, and especially Montrealers, are pleased with the decision the union made last week and the agreement reached with Catelli in Montreal. Yesterday, officials of the department met with people from Catelli and the company applied for aid. We are studying the request, future meetings are planned and we hope to be able to reach an agreement with the company itself.

* * *

[*English*]

MINISTERIAL TRAVEL

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, my question is for the President of the Treasury Board. On October 25, the President of the Treasury Board stated that he had initiated an urgent study on ministerial travel accountability for a report to this House.

By February 8, the minister still had not reported and as chairman of Public Accounts, I wrote to him concerning the denial of information required to audit ministerial travel. He replied to my letter 33 days later and still did not answer the question.

When is the minister going to live up to the commitment he made in this House and table his report on ministerial travel?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, in the unavoidable absence of the President of the Treasury Board, I will take that question as a representation from the chairman of the public accounts committee, but perhaps the President of the Treasury Board did not want to embarrass members of his party since this government has used ministerial travel so much less than its predecessor government.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, the Auditor General of Canada has stated that the Government of Canada is the only jurisdiction left in Canada where ministers' travel receipts are not made available to the appropriate Auditor General.

In his March 13 letter to me, the President of the Treasury Board does not make a single mention of ministerial receipts, to which the Auditor General wants access.

Will the minister tell us today when he will be introducing a policy that will make ministerial travel receipts available to the Auditor General for auditing purposes in Canada?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am sure the President of the Treasury Board will comply with all commitments that he has made. The policy of this government was very simple: we should travel less than our predecessor government, and even if we did that, it would keep us on the road twice as much as we are.

* * *

SCIENCE

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is directed to the Minister for Science. The government-appointed hatchet man at NRC has now said that NRC is not in the business of high energy physics and has proceeded to close down one of the most significant scientific enterprises at NRC. Some of the scientists are threatening to go to other places.

What action does the government plan to take, if any, to save a very significant scientific enterprise in this country, which is quite significant to other activities such as the neutrino laboratories and others, of which the minister is aware?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, over the years one of the interesting things about the National Research Council is that it has always been able to initiate various kinds of research, to take that research up to a fruition point, and occasionally have spun it off to other corporations or other universities.

One of the things that we are concerned about here is the high energy physics group. My hon. colleague says it is going to disappear. It is not going to disappear. The high energy physics group is likely to remain intact.

I also wish to tell my hon. colleague that as far as SNO is concerned, nothing will interfere with the operation of the Sudbury Neutrino Observatory, and I promise my hon. colleague that that will be the case.

• (1500)

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, the hon. minister says that it is not going to disappear, and subsequently says that it is not likely to disappear. I think that we want clearer assurances about whether it is going to disappear, or is likely to disappear, or whether it is going to continue. The scientists there and the scientific community want to know the answer. What is the government going to do to ensure that that high energy physics establishment continues to make its valuable contribution to Canadian and international science?

An Hon. Member: I guess you have to spell it out for him.

Hon. William C. Winegard (Minister for Science): Yes, I will try to be even more clear, Mr. Speaker.

Some Hon. Members: Oh, oh!

Mr. Winegard: The high energy physics group at NRC is not going to disappear as a group. Is that satisfactory?

An Hon. Member: No, it's not good enough.

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise on a question of privilege. Earlier in the proceedings in an exchange between myself and the Minister of Supply and Services, in response to my second question, the minister clearly, I believe, impugned my motives and my privileges as a member by indicating that I was a mouthpiece for a contractor.

As a member of Parliament, I try my very best to raise matters of public concern with the government. If that implies somehow that I am working or lobbying for someone, then that is absolutely ridiculous. I would ask the minister, to whom I sent a note because I do respect my colleagues in this place and indicated I would raising this point of privilege, to withdraw that remark.

Mr. Mazankowski: If the shoe fits, wear it.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the hon. member for Dartmouth—

An Hon. Member: Who are you?

Some Hon. Members: Oh, oh!

An Hon. Member: The minister was up on his feet.

Mr. Speaker: The Speaker does decide who has the floor. The hon. House leader.

Mr. Andre: Thank you, Mr. Speaker. Yesterday, when the hon. member for Dartmouth rose to ask a question, he implied wrongdoing in his preamble and the Speaker, quite properly and in keeping with the long tradition of the House, ruled the question out of order. This was challenged by the House leader of the Liberal party afterward.

The hon. member knows that we have immunity in this place and that the laws of slander and liable do not apply. But coupled with that, it is not proper under that immunity to slander or liable, by accusing another of an illegal act. However, in the event that the hon. member is convinced that others have committed an illegal act, they need only make that charge formally. Of course, if they are not able to substantiate it, they forfeit their seat. That is the tradition of this place.

Some Hon. Members: Oh, oh!

Mrs. Gaffney: You are shameful.

Mr. Andre: Earlier today the hon. member asked another question where he made the suggestion that the government was—

Some Hon. Members: Oh, oh!

An Hon. Member: Eric the second.

Mr. Speaker: Just a minute. The hon. member has raised a question of privilege on a specific point. The hon. minister can reply to it or he does not have to, or the hon. House leader can reply to it. This is getting into a much more extensive debate.

Mr. Andre: Mr. Speaker, I was indicating what his comments were today to which my colleague replied.

Some Hon. Members: Sit down!

Mr. Speaker: I am sorry. I am not entering into a long debate on this. There is a point made by the hon. member. Either the minister involved can respond or I will look at the "blues" and come back to the House.

Mr. Andre: Mr. Speaker—

Mr. Speaker: I am recognizing the hon. minister.

An Hon. Member: The other minister.

Mr. Andre: Mr. Speaker, I merely want to make the point that if in fact there is a *prima facie* question of privilege, as one should indicate when one raises a question of privilege, the member can ask that the matter be referred to the appropriate committee of the House and have it discussed there.

Mr. Speaker: The hon. House leader has every right to take part in this. But I have made it very clear. The hon. member for Dartmouth rose on a specific issue. It can probably be settled in a moment or two. I am prepared to listen to the minister who is involved in the question of privilege.

I have not said it is a question of privilege and it may well not be. If the hon. minister wants to respond, he can.

Hon. Paul Dick (Minister of Supply and Services): Mr. Speaker, I do not think there is anything I said in my response that requires me to withdraw. People in this place lobby on behalf of people all the time. That is their job as members of Parliament.

Some Hon. Members: Oh, oh!

Ms. Clancy: Oh, no it's not.

Mr. Dick: If he is now saying he was not lobbying, that he was just a mouthpiece, then so be it.

Some Hon. Members: Order!

Mr. Gauthier: Mr. Speaker, I just heard that it is the job of members of Parliament to lobby. It is against the law—

Mr. Andre: Wrong, wrong.

Mr. Gauthier: —in the way the minister is saying. There are two or three points that have been raised by the minister which I think require a response; first, yesterday's Question Period, which the minister alluded to in his remarks. I went back—

Mr. Dick: I never alluded to it.

An Hon. Member: He did, not you.

Mr. Speaker: Just a minute. He opened it and I closed it down. We are not getting into debate on the hon. member's question of privilege. I will consider what the "blues" show and come back to the House.

Point of Order

That matter is closed until I refer back to the House.

The hon. government House leader.

* * *

POINT OF ORDER

QUESTION PERIOD

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I rise on a point of order. Yesterday, the House leader of the Liberal party raised a point of order in respect to Question Period, and in that context I would like to respond briefly in terms of today's Question Period.

I wanted to point out that the question raised by the hon. member for—

Some Hon. Members: Oh, oh!

Mr. Tobin: Question of privilege.

Mr. Speaker: The hon. Government House Leader has a point of order.

Mr. Andre: Mr. Speaker, the member for Humber—St. Barbe—Baie Verte today raised a question that had been raised yesterday by the leader of the Liberal party, who asked a question about a newspaper story respecting a comment made outside the House by the Minister of the Environment.

I merely want to acquaint the House with the fact that Beauchesne's fifth edition, section 359(10) says:

> A question ought not to refer to a statement made outside the House by a Minister.

Based on that citation, the questions yesterday and the question today are out of order, Mr. Speaker.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I rise on the same point of order. I will bring the minister up to date. There is a sixth edition, *Parliamentary Rules and Forms*, Fraser, Dawson, Holtby publishers, Beauchesne's.

Mr. Tobin: He needs to be brought up to date.

Mr. Gauthier: I shall read Citation 410:

> In 1986 the Speaker put forth further views in light of more recent conditions and precedents. It was observed that:
>
> (1) Television has made a marked impact on Parliament and public perception thereof;
>
> (2) While some previous guidelines remain valid others have fallen into disuse, e.g. that it is out of order to ask about matters reported

> in the media or statements by Ministers outside the House or "certain questions regarding government policy".

That, Mr. Speaker, I'll repeat:

> (2) While some previous guidelines remain valid others have fallen into disuse, e.g. that it is out of order to ask about matters reported in the media or statements—.

Mr. Speaker, that has been ruled out of order a long time ago and it is now in order to quote ministers when they say things outside this House.

Mr. Andre: The lead question for the Liberal party today was GST. Let me read section 409(12) of Beauchesne's sixth edition:

> Questions should not anticipate a debate scheduled for the day, but should be reserved for the debate.

The debate scheduled for today is on GST. The questions by the leader were out of order.

Some Hon. Members: Oh, oh!

Mr. Speaker: The hon. member for Humber—St. Barbe—Baie Verte.

* * *

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, earlier I gave notice to the Minister of the Environment, who I suspect passed the information along to the Government House Leader, that I wanted to raise a question of privilege, which the Government House Leader has now tried to anticipate.

• (1510)

Mr. Speaker, during the course of Question Period the Deputy Prime Minister suggested that comments I had made in framing my question in fact were a misrepresentation of the words of the Minister of the Environment, or did not fully give credence to the words of the Minister of the Environment.

Perhaps in a different atmosphere than has prevailed and has been exemplified by the government House leader in the last few minutes, I am prepared, if I in any way have misrepresented the words of an hon. member and an hon. minister of a national government in this place, to withdraw anything I may have said. I am not prepared to accept a claim by the Deputy Prime Minister that I deliberately misrepresented anybody.

It would be most helpful, and a great opportunity, were the minister in question to rise in his place and tell us precisely what he meant by those remarks, because I am prepared to acknowledge and accept his apology or his explanation now. This is his opportunity.

Mr. Speaker: The hon. member has made a statement. I am not sure it is a question of privilege. If in fact his point of of order is that he was referred to in an unparliamentary way, perhaps I could look at the "blues" and if that is so, I can come back to the House. But I think that is the end of the issue unless I find something there.

The hon. member, on the same point of order?

Mr. Tobin: Mr. Speaker, I can only assume from the silence in this place—

Mr. Andre: Point of order!

Mr. Tobin: —that my words stand and that the minister indeed made those comments and should withdraw—

Mr. Speaker: Order.

Mr. Andre: Point of order! Order!

Mr. Nault: Storm the chair again.

Mr. Tobin: He hasn't got the backbone to get up on his hind legs and clarify. He hides behind the Prime Minister's skirts.

Mr. Speaker: I did not hear what the hon. member for Humber—St. Barbe—Baie Verte said because of the shouting. I want to hear it.

Mr. Tobin: Mr. Speaker, do you want to hear what I said?

Mr. Speaker: Yes.

Mr. Tobin: Mr. Speaker, I said that the Minister of the Environment in my judgment, given this opportunity to clarify the issue, has no backbone and is a coward.

Some Hon. Members: Shame!

Mr. Andre: Withdraw.

Mr. Bouchard (Lac-Saint-Jean): Just go outside. Come outside the room and we will settle that outside. Nobody calls me a coward.

Mr. Tobin: Mr. Speaker—

Mr. Andre: Sit down, you little jerk.

Some Hon. Members: Order.

Mr. Arseneault: You started it, Harvie.

Mr. Bouchard (Lac-Saint-Jean): I will never accept that.

Mr. Speaker: Orders of the Day.

Mr. Andre: Mr. Speaker, I demand—I demand—

Some Hon. Members: Oh, oh!

An Hon. Member: Charge the chair.

Mr. Speaker: I am going to advise the hon. House leader, and I want him to listen. I want him to get his temper under control.

Mr. Andre: I have my temper under control.

Mr. Bouchard (Lac-Saint-Jean): Question of privilege, Mr. Speaker.

Mr. Speaker: I want to advise the hon. House Leader of this. I am going to deal with this in my own way and I will come back to the House if it is necessary. In the meantime I am calling Orders of the Day. The hon. House Leader.

Mr. Andre: The Minister of the Environment was slandered in the House—

Mr. Speaker: I am calling Orders of the Day. I will deal with it in my own way.

The hon. minister.

[*Translation*]

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I would first of all like to clarify the substantive issue in this debate and then go on to correct something I find unacceptable. As for the issue in debate, the statements reported in the newspapers on the weekend and attributed to me are all accurate. If I am asked to repeat them here or elsewhere, I shall gladly do so, because they arise from the deep indignation all Quebecers feel with the attitude of Premier Wells of Newfoundland, who had his legislature tear up one of its own decisions, and who repudiated his predecessor's signature. I will not allow Quebec to be held guilty for wanting to maintain the Meech Lake Accord, which was approved by this House.

Mr. Speaker, I would not say what I think of the behaviour of all those who are on their feet feigning indignation. I will be polite, which the hon. member who just spoke was not. I do not wish to impute to him feelings and attitudes that I find reprehensible. And with that, Mr. Speaker, I leave it to you to set the record straight and to restore my honour. But I want to be sure that no one can ever say of me what was just said here.

Some Hon. Members: Hear, hear.

[*English*]

Mr. Tobin: Mr. Speaker—

Mr. Blais: Apologize first.

Mrs. Maheu: Just a minute.

Mr. Speaker: The hon. member.

Mr. Tobin: Mr. Speaker, given that the Minister of the Environment has now categorically stood in his place and indicated that he does not withdraw the words uttered by him the other day, and that he is prepared to repeat the words uttered by him the other day, I withdraw the accusation that the minister is a coward.

He is certainly not a coward, but he has clearly told us that he is not fit for national office.

Mr. Bouchard (Lac-Saint-Jean): Mr. Speaker, I was elected as the member for the Lac-Saint-Jean riding. For those who do not know where it is, it is in Quebec. I have been sent here with fellow federal members from Quebec to represent the interests of Quebec within the national government.

We did that, believing that the Meech Lake Accord would be ratified and would be passed. We did that because we believed that people in Canada would honour the signatures of the premiers who signed the Accord in June two years ago.

So I consider myself perfectly fit to assume national responsibilities, and be a Quebecer at the same time.

Mr. Speaker: The hon. member has withdrawn the offending words. He said other words that are not necessarily parliamentary. I am moving to orders of the day.

GOVERNMENT ORDERS

[*English*]

EXCISE TAX ACT

MEASURE TO AMEND

The House resumed consideration of motion of Mr. Wilson (Etobicoke Centre) that Bill C–62, an act to amend the Excise Tax Act, the Criminal Code, the Customs Act, the Customs Tariff, the Excise Act, the Income Tax Act, the Statistics Act and the Tax Court of Canada Act, be read the third time and passed.

Mr. Speaker: Before moving on, I wonder if both the hon. member for Gloucester and the hon. member for Dartmouth could see me in my Chambers on the matter that was raised yesterday.

The hon. member for Gloucester has the floor and I would not want to interrupt that, but perhaps at a time convenient to both of them they could come and see me.

Mr. Young (Gloucester): Mr. Speaker, I would be more than pleased to meet with Your Honour at a time appropriate and convenient to us all.

• (1520)

To continue, Mr. Speaker, the whole question of dealing with Bill C–62 is a very arduous one. From the very outset the tone was set for the debate in the 1988 election. As we have discussed many times in the past year and half, the credibility of the government is fundamental to whether or not Canadians believe that the goods and services tax is an acceptable proposal.

I think it is fair to say that this proposal did not get off to a very good start when the Minister of Finance characterized our concern about it during the 1988 election campaign by describing the Leader of the Liberal Party of Canada as a liar and a coward. We know how abhorrent those terms are in this House. We have just had some indication of that in the kinds of words that have been uttered back and forth across the floor in this place in the last few minutes.

What is extremely critical for Canadians to recognize is the fact that the government is now telling Canadians that this is the only way to proceed in several areas of major concern that it has identified. The government has told us that the existing federal sales tax is so badly flawed that there is no alternative but the goods and services tax.

In 1984, I believe that most Canadians were prepared to give the Minister of Finance the benefit of the doubt, when he stated that he was going to involve himself and his government in a major reform of the tax system in this country. Going back again to the legislation, the draft legislation and the technical documents that were brought forward, it is hard to understand where we went astray.

There were a number of aspects to tax reform when the government began the process in 1984. It involved reform of the tax system as it applied to corporate taxes and also for personal taxation. It was our impression and I believe that of Canadians that this was going to come together as a package.

What is actually taking place is that we are asked to deal with this legislation at this time, after a general election, during which time, the Minister of Finance was describing the Leader of the Liberal Party in very unflattering terms. The government at that point was telling Canadians that there would have to be a rate for a national sales tax that would be lower in every province than the existing federal and provincial sales taxes taken together.

Those are the kinds of statements that were made and on which I believe people depended. We are now being told that the goods and services tax was an issue in the 1988 election, and that Canadians have given this government a mandate to deal with the reform of the system by imposing the goods and services tax. Surely, we are beginning to recognize that there is nothing in the goods and services tax proposal, Bill C–62, that remotely resembles what was either promised in 1984 as part of tax reform, or what was talked about during the 1988 election campaign.

I repeat. The Minister of Finance said, and I quote:

> The rate of the new national sales tax would be lower in every province than the existing federal and provincial taxes taken together.

Except for Alberta, which does not have a provincial sales tax, the imposition of the federal sales tax not only will not result in what that commitment undertook but the provincial sales taxes will be hiked because it is imposed on top of the federal sales tax. So without the provincial governments doing a single thing, we are faced with a situation where not only was this commitment not

recognized and adhered to, provincial government sales taxes will be increased because of the cascading effect.

I listen often to members of the government talking about alternatives, and that you have to put forward alternatives. Let us call a spade a spade. The government has had since 1984 to put forward an alternative to the federal sales tax. It has come up with a tax that 80 per cent of Canadians are opposed to.

I want to be very clear that there are groups which have consistently opposed the federal sales tax. They are convinced, as are many Canadians, of the difficulties inherent in the federal sales tax, such as the Canadian Chamber of Commerce and the Canadian Federation of Independent Business. The Canadian Chamber of Commerce, at its annual meeting in Saint John, New Brunswick, last fall stated that as bad as the federal sales tax is, unless it was changed and basic requirements and conditions for change were made, then the government should stick with the federal sales tax until it can get this proposal put together properly to let real tax reform take place.

I want to make sure that Canadians understand that the red herring we are being given of there being no alternative, is just that. The Chamber of Commerce—I do not want to misrepresent its position—do believe that the FST should be replaced. It even believes in the principle of the goods and services tax which we in the Liberal party oppose, but the Chamber of Commerce, having taken that position over a number of years, have said to the government and the Standing Committee on Finance as recently as this year, that with the existing proposal, it would recommend to every member of the House of Commons that they vote against the goods and services tax, Bill C-62.

How can we possibly accept the approach of the government members that everyone who is opposed to the goods and services tax is opposed to it either for partisan or political reasons, or doesn't understand it? That was the attitude taken last fall when the goods and services tax was being considered by the Standing Committee on Finance and we travelled across the country.

We went into Alberta and Albertans were told by the standing committee chairman that they were so uninformed about the tax—the actual word used was so "ignorant" about the tax—that grade five teachers from Ontario should be sent west to educate westerners on the goods and services tax. I think it was a monumental mistake for the chairman of the Standing Committee on Finance to say that because those Albertans who perhaps did not understand the tax have taken up the issue and have learned enough about it to make sure that they know they are totally opposed to it.

But what particularly irritated Albertans was the cavalier attitude taken by members of the government toward the serious reservations put forward by the premier of Alberta, the hon. Mr. Getty, and his treasurer, the hon. Mr. Johnston.

This is not unheard of but it is extremely unusual in this country to have the Conservative premier of Alberta and the Conservative treasurer of Alberta being told implicitly by government members that they do not understand, that their opposition to the goods and services tax is ill-founded.

Beyond that, to put a little salt in the wound, government members have stated, the Minister of Finance and officials of his department have also said, that Alberta will be better off than any other province in Canada after the imposition of the GST. Imagine the kind of guff that the government is trying to peddle in Alberta.

Here is a government that commissioned its own study. The Government of Alberta commissioned a study released before the end of the year, in which it clearly set out its position that the goods and services tax would have a very negative and serious effect on Alberta. It would cause problems in a number of areas, such as the service industries, the resource-based industries, the tourist industry and will affect disposable income.

So, Mr. Speaker, here we have this very unusual situation of us, to your left, being told by government members, that we do not understand the tax, and that we are doing it because we are exploiting—to quote the Minister of State for Finance—"for political purposes" the fears of people by setting out the GST as a terrible burden on Canadians.

Following a study commissioned by the government of Alberta, and paid for by the taxpayers of Alberta, the premier and treasurer of Alberta have said that the goods and services tax will be a terrible burden on

economic activity and the social well-being of the people of Alberta.

The basic question is, who are we to believe? I want to be very clear on this. I have been to Alberta more than once. Everywhere I go people I meet are aware that I am a Liberal. I would not be offended, and I mean this, to be in Alberta and to have people say: "Well, you know Doug Young from northern New Brunswick, a little town called Tracadie, is out here telling us that the goods and services tax is a bad thing for us". They probably would not be very upset with the fact that I am from Tracadie, but they would be very upset with the fact that I am a Liberal. It is a fact of life in Alberta that it can cause you some grief in terms of credibility to go out and tell people that you are a Liberal representing this party and that you come from the east.

• (1530)

If I were the one who was putting forward this premise, I could accept that people would have some reservations. On the weekend the Premier of Alberta, in convention, faced extremely serious questions about the future of this country. I do not want in this place at this time to get into that. I think Canadians from coast to coast were proud of the fact that Albertans and their government stood up for Canada. Surely, I am proud of that.

Some Hon. Members: Hear, hear!

Mr. Young (Gloucester): At the same time the Government of Alberta was faced with having to deal with its colleagues in Ottawa imposing a goods and services tax. I do not want to focus entirely on Alberta. I use it because it best exemplifies the dichotomy that exists in this country from the point of view of Conservatives. Here you are with a party in government, a party which has been there for a long time with Mr. Getty and his predecessor Premier Lougheed, in full open convention dealing with major national issues such as national unity and the economy with the leadership of the premier having been reaffirmed unequivocally, and we have people who have the audacity to say in this place and outside of it that Liberals and members of the New Democratic Party oppose the goods and services tax for partisan reasons.

Canadians have to understand that if Premier Getty and Treasurer Johnston oppose the goods and services tax, surely it cannot be for partisan reasons. Surely it must be because they understand better than anyone what the impact will be on the economy of their province.

I ask Canadians as we continue dealing with what this government wants to do to them with respect to the imposition of the GST to remember not to question the motives of those who point out the difficulties with the goods and services tax, but to question the motives of those who insist that they have seen the light and that their view of the affair is the only one to take and if you do not take it there is something wrong with you. Never argue it on merit. Always try to colour it and play it with smoke and mirrors. It is revenue neutral, but it is going to be a deficit reduction tool. Even I am boggled at times when I start to think about the way the Tories approach Bill C-62, because it does get very convoluted.

Going back to the question of alternatives Canadians have to understand that the Alberta government put forward in its study a clear process that it believes should be followed.

First, it insisted that there had to be meaningful tax reform. That is a situation that I believe we must address when we are talking about the goods and services tax. There is a feeling in the country now that the FST has to go, and surely it should go at an appropriate time when an appropriate tax package is put together. The Government of Alberta in rejecting the goods and services tax did not rush out and say: "This is what we should do specifically". What it said was: "We should have tax reform based on consultation".

I think that that is the key. Let us look at what has happened in Canada in the last four or five years. We have had over 30 tax hikes. We have had significant change, as the last budget indicated, on how Canadians will be able to finance social programs at the provincial and municipal level. The federal government is moving unilaterally in a number of sectors like, for example, with this goods and services tax.

About one year ago in April all the ministers of finance from across the 10 provinces, the Northwest Territories and Yukon were here with the Minister of Finance for the Government of Canada. They undertook, as we understood it at that time, to consult on how

we could as a nation go about implementing a national sales tax. The finance ministers then left.

My information is that that is the one and only time there were political discussions about a national sales tax. There had been some preliminary meetings at the officials' level, but this was the first time it was raised in a formal context at the ministerial level.

Within two weeks of that meeting here in Ottawa, the Minister of Finance for Canada unilaterally announced that the Government of Canada was proceeding with the goods and services tax. That repudiated a basic element of what the government had said all along: that it would be integrated, that it would be fair and that the final amount would probably be less than existing provincial sales taxes because the base would be changed.

The whole problem with the goods and services tax is something the government does not seem to understand. I do not think any number of ads could ever overcome that. The people of Canada do not believe the government when it says that it is going to be fair, simple and good especially for those with low incomes.

Can anyone in this country imagine, under any circumstances other than a national emergency like war, famine or something of that nature, a coalition as broad as what has developed around the opposition to the GST? I do not think that we can overstate the case. Canadians from every walk of life, from every part of the country, have come together and said that this is not going to work.

Among those people is small business, and I think it is important to recognize specific areas of concern. Over the years, again because Canadians are becoming extremely well informed about what goes on in our political system, I think that it would be fair to say that John Bulloch, the president of the Canadian Federation of Independent Business, has not been one of the more outspoken or consistent supporters of the Liberal Party of Canada. Mr. Bulloch has mounted major offensives on behalf of his membership against what they consider to be unacceptable tax economic activity on the part of the government.

The Canadian Federation of Independent Business represents 70,000 to 80,000 small and medium sized businesses in this country. From the very outset it has consistently opposed the goods and services tax proposal that is before us.

Let us not mince words: the CFIB has said that in principle the goods and services tax approach is one that it could live with, but there were many, many factors that it did not agree with. Among those was the fact that there was a commitment on the part of the government when it talked about tax reform that the goods and services tax would be simple. The response of the small business community in this country to the suggestion that the proposal we have before us is simple is probably best illustrated by how it entitled its response to the goods and services tax. It called it "A Nightmare on Main Street".

Again, we are talking about John Bulloch, the president of the Canadian Federation of Independent Business. This is not a Liberal dominated organization of some kind taking a partisan position on a tax issue for political advantage.

What the government has said, and even what officials of the Department of Finance have said, is that small business in this country does not understand the goods and services tax. It does not realize just how good the goods and services tax will be for it and for the economy. There is a limit to how much condescension people can accept. Here are men and women, struggling every day for years and years. They know their businesses better than anybody. I know some of my friends opposite would say: "Yes, and they had tough times in the late seventies and early eighties". That is right, many of the small businesses had tough times then, which is why they are so sensitive to anything which is going to cause them grief. Many of them have been through it before.

Here are people who have survived high interest rates, difficult times, downturns in the economy and a full recession who are saying that this measure is worse than anything that they have ever gone through. They do not say that lightly because they know they will be challenged. The challenge has been such that no one has wanted to diffuse it.

• (1540)

As recently as a couple of weeks ago Mr. Bulloch was in touch with the government again, begging to meet with the Minister of Finance who refused to meet him, not only on the goods and services tax. You will recall, Mr. Speaker, in the hey-days of tax reform and the conciliatory approach to government that this group of people allegedly practise, that there used to be pre-budget consultation. People like John Bulloch and the

Canadian Federation of Independent Business were called in: "Come on in, John. Let's sit down and have a chat about what direction this country is going in, what kind of budget proposals we think we might want to put forward. What kind of suggestions do you have for us?" This year: "Bulloch, you stay in Toronto." "Small business, we do not want to hear from you, not even in the budget consultation, never mind the GST."

How far should the ordinary Canadian go in believing the government's contention that if you understand it, then you will support it? The Canadian Federation of Independent Business is a very sophisticated operation. It has looked into this in great detail. For months and months and months it told us in all kinds of ways. It had polls taken of its membership, which it does on a regular basis. It interviewed people in various segments of small business to find out how the GST would impact on the different kinds of small businesses, and they said: "This is going to be a nightmare on Main Street." But the government said: "You just do not understand it."

We talked about the nightmare that small business would have to administer. These are people who should understand it. We have had a hard time deciding what are biscuits, muffins, cakes, chocolate bars, wafers and all the rest of it, but it goes far beyond that. Take the corner store, for example. The corner store in a way in people's minds has become the old general store of years ago in the country where that one store sort of served everybody's needs from equipment for the farm to clothing, to the necessities of life, food and patent medicines and so forth.

The corner store in a way in many areas of this country has taken on that kind of aura. It is the mom and pop operation. People are working hard all hours of the day and night, seven days a week and so forth.

Rather than deal in the abstract, let's just walk into that store. There is a young lady working there on a Sunday afternoon, probably the daughter of the owner or the daughter of a friend of the owner. Certainly she is somebody from just down the street, not from out of town. She has not graduated from the Harvard School of Business or anything of that nature.

This person is going to be asked to deal with all the items in that store. Corner stores now carry a vast variety of items similar in so many ways to what we had 50 years or 100 years ago in the general store; different but similar. Instead of having equipment for the farm maybe there are videos for rent. They will still have the odd bit of patent medicines, aspirins and that kind of thing. They will have a microwave as opposed to the old stove that people sat around. Out of that microwave comes the kaiser roll and a slice of ham and a piece of cheese.

Do you know what happens, Mr. Speaker? That young person standing at the cash register has to decide on some very important stuff. If that person is fortunate and has a member of Parliament who took home the simple tax law to them, this is what she could have as reading material sitting up around the cash register. She could say: "Let's take a look at this, because there must be an answer to my problem in here."

This is what has been put together. I got rid of a lot of the stuff that we dealt with this morning. This is just starting with the draft legislation that we got in October 1989. These are not the technical documents that we got in August 1989. We have already dealt with that.

Mr. Speaker, picture this person sitting there or standing there, having to deal with the myriad items that are in that store. There is ice cream in the store. That person will have to remember: "Ice cream, if it is in a cone I handle it one way, but if it is in the deep freeze and it is in a container then that is another way. Then I have that microwave to worry about because McCain's makes pizzas." I hope you will not mind, Mr. Speaker, if I put a little plug in for a good New Brunswick business. So now you have a situation where there is a McCain's pizza, and if you take that pizza out of that corner store and take it home and put it in your microwave, then that is okay. The young lady has to know how to charge you for that.

But if the young lady is industrious and her dad and mom have said: "Look, why send him down to Pizza-Pizza when we can do that here. Let's cut that McCain pizza in four pieces and as people come in you can fire it into the microwave and we will sell it by the slice". But that is a different kind of thing, and it has to be paid for.

I could go on literally for hours. Everybody who came before us kept setting out specific examples of some things that are taxed provincially but are not taxed federally; some things that are taxed federally but are not taxed provincially; some things are taxed at both levels; and other things are not taxed at all.

I am coming to the problem that John Bulloch and small businesses have had in convincing the government that they understand their problems far better than the government recognizes the kind of mess it is creating for them.

You would think that next to that young lady there would be a cash register. You can go into places now such as a major food retailer and there are all kinds of sounds that we would not have heard in a general store 50 or 100 years ago—little beep-beep-beeps as the electronic gadgets check over the markings on all kinds of products and decide how much you are going to pay for them.

In the large operations they will have to calculate to some extent how they are going to apply the goods and services tax. Is it going to be on single servings? Is it going to be on a small can of soup or just a big can of soup because a small can of soup can be heated there whereas the large can soup most likely will be taken home? There are lunch counters in these large food outlets.

But back at the corner store we have the young lady trying to figure out how she is going to do this. "Well", you say, "there is no problem. Let's get her a cash register". All one has to do in this day of technological progress is program it. Of course that's no problem. How many different kinds of items would there be in a corner store? I suppose it would depend if the corner store is in a small rural area of Canada, or if it is a Mac's Milk, a Green Gables, or one of the larger operations in one of the metropolitan areas. I do not know. Would there be a thousand items? Five hundred? Five thousand? When the price changes who programs it? Who goes in and takes care of all this? Is it the girl sitting there helping out her parents on the weekend? Is it the mother, the father? How is this all done by small business? Is there some magical trick to pricing that allows for the complexity of Canada being the only country in the world with two levels of consumer taxation.

The people who have had to address that are in the business of trying to provide that young person with an answer to her problem. They have cash registers, point-of-sale equipment. You would think this is a heck of a windfall for them. If you were in the business you would be saying: "Gosh, they must really be looking forward to this". However, they realize that they are dealing with people on very limited incomes in terms of profit margins. The competition is fierce, the hours are long, and the return is very limited. But they are also faced with real limitations in terms of technology.

Sweda Canada Inc. manufactures 35 different models of point-of-sale equipment that it supplies to Canadian retailers. It has written letters two and three pages long explaining just how difficult this is going to be. This is not somebody with an abacus or pocket calculator. We are talking about sophisticated companies dealing on a world-wide basis with point-of-sale equipment.

Mr. Speaker, can I for the record read to the House a letter I received on March 30 from the Canadian Federation of Independent Business telling us that its consultations with Sweda had this result:

> Dear Mr. Young:
>
> Information received from the cash register industry confirms our position that the goods and services tax should not be implemented until agreement can be reached with the provinces on a harmonized sales tax system.

• (1550)

The CFIB understands what is needed to reduce the administrative nightmare.

> The attached material produced by our research department and a letter written by Peter S. Boyle, President of Sweda Canada Inc., confirm that the industry would not be able to meet the demand for new equipment or the conversion of existing equipment in less than a year after all the rules and regulations pertaining to the GST and the nine provincial sales tax systems have been finalized. To proceed with the proposed two-tier GST sales tax system will cause chaos at the cash register and wide-spread consumer confusion.
>
> We urge you to use all of your influence and efforts to prevent this ill-conceived tax from being implemented.

The letter is signed by John Bulloch.

That is not very ambiguous. What he is saying is that it cannot be done efficiently.

As my colleagues will recognize, when the Auditor General came before the committee he raised very serious concerns about the government being able to put a system in place that could effectively and efficiently administer and collect the goods and services tax. He

talked about losses of millions of dollars a day in the initial phases if the system was not put in place adequately.

With all due respect, and it certainly is the mandate of the Auditor General, he was concerned about that slippage, that loss from the point of view of the Canadian taxpayer and revenues for the Canadian government. The purpose of replacing the FST with the GST is to avoid all the slippage we are being told occurs with the existing federal sales tax.

As much as I understand and sympathize with the Auditor General that it is important for the Government of Canada to get the revenues that are coming to them, imagine what it does for the small business. Not what it does just to one, but what it does to 10, what it does to them in Ontario, Quebec, Saskatchewan, Newfoundland and across the country. Imagine what this is going to do to small business.

If government is having the trouble it is—and I do not want to get into the details of it trying to find space in Ottawa, which has been a saga in its own right—then Canadians have got to be asking themselves the question: "If a company like Sweda is saying: 'We are not at all convinced that we can be prepared within a year of getting all the rules in place and knowing exactly what kind of a structure we need', how are we going to do this in the next seven or eight months?"

The hidden cost of the FST was something that the government made a major issue of, that Canadians are paying the federal sales tax on a whole series of manufactured items and they really do not know that they are paying it. If you went out right now and asked Canadians: "Would you rather keep paying that thing that you do not know you are paying, or would you like to pay the GST?" I think every Canadian would opt for the devil he does not know, rather than the devil that is coming down the track that he knows all too well by this stage of the game.

When you look at the private sector, you see that the federal sales tax had about 75,000 clients. There were about 1,300 or 1,400 people to collect that tax. There were hidden costs to the consumer, no doubt, and it caused difficulties for exports. There was unfair competition from imports that did not have similar tax. We have heard all of that. What about the hidden cost of compliance for small business?

Instead of 75,000 manufacturers having a problem—and that to varying degrees because not all those 75,000 manufacturers had huge problems, but they all perhaps had some—now there are between 1.5 million and 1.6 million registrants under the goods and services tax. Imagine what it is going to cost each of them each year to collect this tax. The government is going to help out a little bit, one time. What will happen next year and the year after?

Again, the Canadian Federation of Independent Business talks about an average cost per year of $1,300. That is from a taxi operator, for example, who is going to be a registrant. A person who is involved in running a hairdressing operation is going to be a registrant. Canadian Tire is going to be a registrant. Major, major retailers are going to be registrants. The average cost will be $1,300 per registrant. That is a hidden cost.

When you go in to buy a product at my corner store and that young person is sitting there, that cost has to be absorbed by that operation. Will the consumer know that? What is the cost of $1,300 per registrant when there are 1.5 million of them? Just think about it. There are huge hidden costs, huge problems for small business. It is an impossible technological challenge, at least in the short term, for anyone who has to implement the goods and services tax.

I have to go back to a point I made this morning in discussing this bill. Why would anybody want to do this to Canadians? In the face of what the industry and small businesses are saying about the point-of-sale equipment, why would the government embark on a course of forcing the goods and services tax down the throats of Canadians?

Why would it want to choke us at a time when we are suffering from high interest rates? The government says that now there is no hope for lower interest rates. I am sure you will be aware, Mr. Speaker, that a month ago in the budget the government said that there was hope for lower interest rates. This is why Canadians are having such a hard time believing that things will go well with this proposal.

In his budget the Minister of Finance says that he expects this year that the interest rate will be at 11.1 per cent. We are just barely into the year now but the same Minister of Finance, who had a different audience when he released his budget on February 20, told Canadians that everything in the budget was based on the premise that the interest rate over the year will average 11.1 per cent. He said that that was achievable and that Canadians should be confident.

As a matter of fact, he did not stop there. This year he was extremely confident. Last year, in the budget of 1989, he told us that by the end of 1989 and the beginning of 1990 interest rates would be around 10 per cent. You know, Mr. Speaker, how well we did with that.

This year, the minister very confidently predicted that by next year the rate would be down to 9 per cent. This is why Canadians have enormous difficulty believing that the goods and services tax that is being proposed is going to be good for them because nothing that has been suggested has come to pass.

You may recall, Mr. Speaker, that the Minister of Finance was very confident about a number of other things. He was predicting in his five-year budget and economic recovery plan in 1985 that our deficit would be down below $20 billion. Of course, we have had two increases in the deficit in the last two years. The government worked at it for a while and then a thing called an election came along. That sort of threw the plan off.

In 1989, the average interest rate was 12.2 per cent. The minister had said it would be around 10 per cent. The projection for 1990 was 11.1 per cent. You might want to put three or four points on that if you are going to reflect what most economists and most analysts in Canada believe.

Here is the real hook, Mr. Speaker. In 1991, with inflation being bumped up by the GST by at least 1.25 per cent, according to his own figures, the Minister of Finance is predicting that the interest rate will be down to 9.5 per cent. Well, I have some swampland in Florida I want to sell tomorrow to the Minister of Finance at interest rates somewhat above 9.5 though, because even at that I could not make a buck.

• (1600)

If we are serious in trying to deal with how Canadians will cope with this tax and why members opposite should vote against the tax, then let us look at problems from a cash flow point of view for small business. Small business does not have the capacity or the lines of credit that large manufacturing plants do. We know that the FST caused problems for 75,000 manufacturers. What is going to happen with small business? They are involved with things such as the 21 days, input credits, paperwork, getting their money back, writing this off, dealing with a non-profit organization, is it 50 per cent, and dealing with goods across the board.

For example, when ice cream is manufactured, how much of it is going to go into ice cream cones and how much of it is going to go into tubs. One could say it does not make any difference because they will not be paying the goods and services tax anymore. That is right. It is quite a break for the manufacturer of ice cream. However, once it gets to the corner store, it is a big headache. The headache is taken away from the manufacturer who is going to supply 500 corner stores and the problem is put on mom and dad and the people who are trying to eke out a living.

I talked about the hidden costs. In most small businesses the margin of profit is very narrow. After the people who are usually self-employed take reasonable and, in many instances, very minimal salaries out, there is very little money left to reinvest, maintain inventory, and upgrade. The compliance costs are estimated by the CFIB at being at $1,200, $1,300 and $1,400 a year on average. What does that do to already shrinking margins of profit?

We believe that, had the government listened to the people who came before the Standing Committee on Finance and had the Conservative members sitting on that committee listened, this is what they would have heard. They would have heard many people say that they accepted the principle of a goods and services tax. There is no doubt about that. Many people who came before the committee representing organizations and groups said, yes, they could live with the goods and services tax, but there was this problem, that problem and the other problem and they set out a litany of complaints. They said: "If you cannot do these things, it is going to be disastrous for us."

I am not exaggerating. All the briefs and the comments made by the 300 or so witnesses that we actually heard, as well as the hundreds of briefs that came in from people who did not get to appear before the committee, laid end to end would never, ever fill the bill. Without exception, everybody who came along had all

kinds of complaints, suggestions, concerns, fears, and problems of every nature and description.

There was one thing they understood, and this was terrifying and I can understand why members opposite will feel that they have to vote with the government on this. Even sophisticated, strong and well-represented organizations believed the government would drive the GST through no matter what. They came in with an olive branch. If the truth were known, many of those people did not support the GST at all in any way, shape or form. They thought they might get a break if they came and said: "Look, we know you are going to do this anyway." It is the old story: If I am going to get strapped or struck with a whip or a bat, or anything else, and I know it is inevitable, I am going to try to negotiate it down to as few bashes as possible. There was this very sorry spectacle of people coming in and saying: Look, we don't want anybody to get the wrong impression. We think the government has to do this and it has to be done, but could you help me out?" This went on and on. There was not any great reason for people to be concerned about the fact that they were going to be apologetic and they were going to be looking for ways out.

As you well know, Mr. Speaker, we have been through the documents of August, 1989 when the technical documents were brought forward. It was a very large document and then a subsequent document to explain it. Then, all kinds of pamphlets came out and told us how to try to figure this whole deal out. In October, out came draft legislation because the original documents were technical documents. This is the draft legislation that the government brought forward after about five years of being in office. It provided us with this and said to take a look at it and go across the country.

The Standing Committee on Finance then sat in hearings across the country and produced these two documents. Generally speaking, this is what Conservative members found to be unacceptable or should be corrected during those hearings. The New Democratic Party and the Liberal Party filed minority reports dealing with suggestions on how real tax reform might take place.

Mr. Dorin: What was your alternative?

Mr. Young (Gloucester): Mr. Speaker, the hon. member from Edmonton asks about the Liberal alternative and I want to take a moment because I think that that is a very fair question. I want to quote from two sources as to the alternative.

First, I will quote from the study prepared by the Government of Alberta, commissioned by Premier Don Getty and the Treasurer Dick Johnston, wherein it states without equivocation that it is opposed to the goods and services tax. It suggests, first, that meaningful tax reform take place in consultation with the provinces. I was struck by the common sense being exhibited by the Conservative Premier of Alberta, and particularly his treasurer.

The hon. member from Edmonton will recall well the meeting we had in Edmonton and the wonderful reception that was provided for members of the Standing Committee on Finance by the Government of Alberta at Government House in Edmonton. On that occasion I was absolutely enthralled by the lucid exposition of the problems of Alberta put forward by the Treasurer, the Hon. Mr. Johnston. I was so excited by his approach where he indicated clearly, based on their information, that Alberta would suffer so terribly under the goods and services tax that we took it upon ourselves as Liberals to learn from what the Treasurer of Alberta and the Premier had done in terms of their work on their report. We listened to the Mayor of Vancouver, His Worship Mayor Campbell, in his presentation before the Standing Committee on Finance in Vancouver. I know that the hon. member from Edmonton was present at that hearing as well. The Liberal alternative could be summarized as being based very, very much on the very thoughtful suggestions made by the Premier and the Treasurer of Alberta and the Mayor of Vancouver.

In our minority report, we indicated that tax reform was certainly very, very important and that meaningful and massive tax reform should be based on principles. There were a lot of goods thoughts put forward. Because the original premise set out in the documents that were put forward by the Minister of Finance in how the goods and services tax, the value added tax, or whatever form that tax took, would have to be based on certain principles, we compiled and distilled the best ideas from all. This is what we came up with. We said this in our minority report:

> Acknowledging that overall tax reform will be a complex and delicate process—

God knows that that is true, Mr. Speaker, because the Conservative government after five and half years has come forward with a process that has 80 per cent of the Canadian people against it.

> —it is important for Liberals to make clear the principles upon which tax reform should be based.

These are the principles on which we would base our tax reform, and they are taken nearly verbatim from the premises put forward by the Minister of Finance in a number of documents relating to his own tax reform proposals. Our report continues:

> 1. Fairness—A Tax System Based on the Ability to Pay
>
> The Liberal Party has always stood for and defended a fair and progressive tax system. Reform must respect the principle that the burden of paying taxes should be based on the ability to pay.

That would be the very first principle that we would have to respect. The report goes on, and this will sound very familiar to the member from Edmonton:

> 2. Simplicity
>
> Tax reform must be designed to make the tax system easier for Canadians to understand and thus ensure compliance.

Compliance is a major problem with the existing federal sales tax and we listened carefully to Canadians who said that. So we said we have to make sure that the tax system allows for compliance. We went on to say:

> Voluntary compliance has always been the foundation of our tax system. But—

—we questioned and I think rightfully so—

> —for how long will Canadians continue to comply voluntarily with a system that is beyond comprehension—

We recognize that the FST did have those problems, but we were not positive that this kind of tax reform that was called simple would really meet that test.

• (1610)

Obviously, again relying on the very valid points made by the Minister of Finance when he first began this adventure of tax reform, our third principle was integration. This is what we said in the Liberal minority report from the Standing Committee on Finance:

> Sales tax reform cannot be undertaken independent of income tax reform, corporate tax reform, social welfare reform or independently of the other levels of government. Canada is in need of an overall tax reform that encompasses all forms of taxation and all levels of government. An integrated tax reform must recognize that while there are several levels of government in Canada, they will all look to the same person to pay their bills—the taxpayer.

That is as accurate a reflection as we could arrive at to put into words what had been expressed to us, particularly by the Treasurer of Alberta, the Hon. Dick Johnston and the Mayor of Vancouver, His Worship Mayor Campbell. They both expressed the fear of what is happening to our system. The federal government encroaches on provincial jurisdiction and makes it more difficult for provincial jurisdictions to be flexible enough to be able to respond to the needs of their own government administration, apparatus and programs.

Very fundamental to the whole discussion was what was happening to municipalities and how they were being left totally out of the equation. As the federal government plays its tax games, and the provincial governments play their tax games, all of a sudden, people who for centuries have depended on real property taxes were being squeezed out. I thought that was the most interesting point that was made in Vancouver by Mayor Campbell.

Going back to the principles put forward by the Minister of Finance when the Conservative government embarked on its tax reform program, the fourth element that we addressed in our minority report was visibility. The Liberal minority report said this:

> Canadian taxpayers have a right to know what taxes they are paying. Any reform of the tax system should be designed to help Canadians understand exactly how much and to which level of government they are paying their taxes.

That question of visibility was addressed by practically everyone who came before us. Because of the existing federal sales tax, people were very concerned. I want to come back to the question of visibility because I am very upset that in the government document, the question of visibility is not addressed in Bill C-62 to the extent that Canadians expected it would be.

The whole idea of visibility was seen by many Canadians as being a deterrent to free-spending governments, which would just raise the tax, get the money it needs at election time for promises, spend it foolishly, and then all of a sudden be in extremely difficult times. Above and beyond the discussion on goods and services tax, tax fairness, and that kind of thing, the recurrent theme throughout all of the hearings on the goods and services tax across the country and here in Ottawa, was

Canadians talking about the terrible burden of the deficit and debt.

The fifth principle, and this is the last one, dealt with revenue neutrality. This again was taken directly from the principles put forward by the Minister of Finance as the Conservative government began its process of tax reform. The report states:

> Tax reform should not be a smoke-screen for raising taxes. Rather, tax reform should be undertaken with the goal of improving the tax system.

—and making it more fair.

> If a flawed tax can be replaced with a better tax, then it should be done in a way that does not raise the revenues of the government. In this way the new tax would be less likely to affect the economy adversely and Canadians would be better able to judge whether the new tax is working fairly and effectively.

One of the reasons for bringing this particular idea forward is that the government had indicated that it was a fundamental part of its initial program. That is what it had committed to, but had not followed through on. Even more telling was the tremendous commitment of the member for Mississauga South to fairness and to openness. He was the first to jump and sound the alarm when the goods and services tax was proposed in the 1988 election. That was first and foremost in our minds as we drafted our minority report. The hon. Member for Mississauga South, the chairman of the Standing Committee on Finance, had clearly seen the tax-grab that was inherent in that proposal put forward during the election campaign by the Minister of Finance.

It is hard to believe but the Member for Mississauga South believed that anywhere from $10 billion to $14 billion would accrue as a windfall to the government if the tax went through at 9 per cent. It was obvious that we had to address the question of revenue neutrality, since the government had said it would do it, and the Member for Mississauga South was so impassioned and articulate in his commitment to the fact that if one is going to do something, say it. If one is going to go for an extra $8 billion, $10 billion or $14 billion, one should not sit back and all of a sudden find it as a windfall, and say: "Oh, my goodness, are we ever lucky! This is the gold at the end of the GST rainbow." He saw it coming, so we wanted to address it.

In summary, my friend from Edmonton Northwest was very kind in asking the question and that is why I want to address it as completely as I can. In fact, tax reform would have to be based on fairness and simplicity. It would have to be integrated. It would have to be very visible and, of course, it would have to be revenue neutral.

After five and a half years, the government, not having consulted or worked at making sure it came forward with a tax reform package that was acceptable to Canadians, is in this morass of the GST. There is as much unrest as any of us have ever seen with respect to a tax bill in the country. Even John Bulloch's tremendous fight years ago against a budget that we will all remember did not come anywhere near this. There are some parallels.

I remember in this place, not all that long ago, the Prime Minister of the United Kingdom told Canadians and members of this place that the free trade deal would be a good deal. We know that there is a great deal of affinity between the Prime Minister of Canada and the Prime Minister of the United Kingdom. If one wanted to push an analogy right to the limits, I suppose one could say that the Prime Minister of Canada appears to want to duplicate what is going on in the UK with respect to the infamous poll tax. Surely the Prime Minister is not prepared to push Canadians to the wall, but I think one could say that we are going in that direction. Canadians have a great deal of patience, but it is being tested.

We are not into Boston tea parties, particularly, and we all know that in Canada there is perhaps a lack of awareness on people who are not native to this country. I look at the Governor of the Bank of Canada, for example, and I wonder sometimes if he really understands Canadians when he suggests that there should be wage moderation and that we have to have higher unemployment to control inflation, and that we have to have high interest rates. It is one thing to say: "Let them eat bread," but I suspect that many Canadians, having learned that the Governor of the Bank of Canada has just enjoyed wage increases between 20 per cent and 40 per cent over the last three years, might want to eat some "crow" at this stage. That is not the way that we

normally do things. I would think that Canadians will want to have many opportunities to continue to express their concerns about the goods and services tax, and I am sure they will do that.

I want to discuss the alternative that we believe arises normally out of the principles that we have set forth and on which we would base tax reform. Obviously, the first thing that we would want the government to do is to withdraw the goods and services tax. We think that that is what Canadians want. It is not a question of whether the Liberal party wants it or the New Democratic Party wants it. Canadians are saying: "Look, withdraw the tax. There is a federal sales tax there. You are raising $18.5 billion. That is two and a half times more than you were raising in 1984 when the tax was at 9 per cent. You have moved it from 9 per cent to 13.5 per cent. We know it is there now. It is not as visible as it should be, but there are very few Canadians after all the hooha that has gone on who don't know there is a federal sales tax there."

The Chamber of Commerce says: "Withdraw it." The Canadian Labour Congress says: "Withdraw it." The CFIB says: "Withdraw it." Poor people say: "Withdraw it." Senior citizens say: "Withdraw it." And we believe that that is what should be done. We also believe that we have to have massive, fair, total tax reform. That tax reform has to be predicated on the basis that there is only one taxpayer in Canada. Whether that taxpayer is paying municipal water rates, sidewalk taxes, or property taxes, provincial sales taxes, excise taxes, gasoline taxes, taxes on booze, income taxes, goods and services taxes, federal sales taxes, or tobacco taxes, there is only one taxpayer. We cannot continue to pretend that one government can move, unilaterally, and say it is going to correct its problem by raising taxes, or as this government has done, not only raise taxes and impose new taxes, but shift the burden onto the provinces by forcing them to either reduce services or increase taxes as well.

• (1620)

One of the strangest things I have heard in a long time was a statement made by the Prime Minister today that Canadians will love the GST. It boggles the mind that the Prime Minister would say that, unless he is convinced that the advertising campaign that his government is undertaking will do it.

We hope that there will be a will in this country at the municipal, provincial and particularly the national level to get involved in some real tax reform and I think we can be terribly creative. My friend, the hon. member for Broadview—Greenwood has put forward a tax proposal for a simple and a fair tax that has generated a lot of interest all over the country. Some people will attack it and say, "Is that the Liberal party position?", or there may be some problems with it. That is not the point. It is an alternative that has every right to be considered. Other people have put forward personal expenditure tax proposals, luxury taxes, corporate taxes, wealth taxes, corporate profits being deemed as dividends in the hands of shareholders for tax purposes. There are all kinds of situations that we have to address.

One area that is of particular interest to me and I believe it will become that to many Canadians, is that I am not sure that real property taxes are any longer a measure of a person's capacity to pay. I think they become location taxes. You could have a home, Mr. Speaker, in St. John's, Newfoundland, in Fredericton, New Brunswick, in Halifax, Nova Scotia, in Winnipeg, Saskatoon, Willowdale and the same house will be very much the same price. There will be some differences because of local costs involved in terms of the people who build the house, the physical labour, but the cost of transporting goods to St. John's, Newfoundland or to Victoria, British Columbia, goods coming out of Toronto or Montreal, will balance out, so the cost of the house itself will be very similar. There may be larger and more expensive homes in Toronto than in Tracadie, but what has evolved in this country is a system where the land beneath the house dictates the price of the house. Where the land is located decides what is the value and the price of the land.

Should we call into question what we have traditionally accepted as the Bible on local taxation and revenue generation for municipalities, real property taxes? Well, that has to be done in the context of tax reform.

For instance, take the case of a widow in Chatham, New Brunswick, who moved into a home with her husband and family 40 or 50 years ago. Her means really have not changed very much, but life has continued on and perhaps she is very comfortable. That house might be worth far more than she ever dreamed it would be worth. However, the only way she can realize that equity

is to sell it, and then what does she do? People say, yes, but we have to tax it because it is situated in town and we have to get our money out of it.

This has happened with remarkable results in places like Toronto, where people bought homes for $30,000 and $40,000 and are now sitting on real estate that is worth $500,000 and more. For people from other parts of the country, it is difficult to believe how people can buy a home in Vancouver, never mind how they can maintain it and pay taxes, insurance, and so forth.

I do not want to belabour the subject, but I think that when we get into tax reform we will want to look at real property taxes. We will want to look at something that is only now beginning to surface and that is the whole question of water rates.

In Canada we have taken as a given, since we have been here, that we have clean, pure and good water and lots of it. In some municipalities people pay nothing for water. They have water to their door in a system where they pay nothing. In other municipalities it is costing more than $1,000 a year for water for a residence. Is that fair? People have to have water. At one point it was so minimal that it just seemed to be fair that a system for generating revenues for a municipality was arranged where water was part of it.

I do not think that we want to be locked in with old ideas. We have to look at what Dennis Mills has to say about taxation. I think we have to look at what Neil Brooks has to say about taxation. I think we have to look at the Fraser Institute, the C.D. Howe Institute, the Economic Council of Canada, at what Pat Grady, McCormick and all the rest have to say about taxation. We do not want to be, under any circumstances, involved in trying to deal with—

Mr. Langdon: Mr. Speaker, I rise on a point of order. I noticed that my colleague from Gloucester noted a couple of minutes ago that he did not want to belabour the point. I simply wanted to request that he contribute to a fair debate in the House of Commons by permitting the leader of our party to make her contribution to this debate.

Mr. Milliken: Mr. Speaker, I rise on the same point of order. I wanted to say that there has been a kind of cosy deal here between the government and the New Democratic Party which has deprived members in this Party—

The Acting Speaker (Mr. Paproski): I am listening to the point of order. If the hon. member would come to the point of order, then I will resolve this grievance immediately.

Mr. Milliken: Your Honour, the difficulty seems to be that the member has asked whether or not my colleague is about to finish his speech. I was enjoying his speech very much and I think that the point I was seeking to make was that, because of the sweetheart deal that has been made between the government and the New Democratic Party, we in this Party have been deprived of our opportunity to debate this bill on numerous occasions and my friend—

The Acting Speaker (Mr. Paproski): I do not find that a point of order. I find this a grievance. The hon. member has unlimited time, and I am afraid I am going to have to recognize the hon. member for Gloucester.

Mr. Young (Gloucester): Thank you, Mr. Speaker.

Mr. Epp: Mr. Speaker, I rise on that same point of order. The only point that I would want to make to my hon. friend who just spoke on behalf of the Liberal Party is that there are no cosy deals with this government, with either the Liberal Party or the NDP on GST. It is important for us to get the GST legislation through and let the hon. member speak.

The Acting Speaker (Mr. Paproski): That is not a point of order either. It is a point of debate and a grievance. The hon. member for Gloucester has the floor.

Mr. Young (Gloucester): Mr. Speaker, on the point of order raised by the hon. minister, I think we would all agree with that, that there are no cosy deals with the government. Anybody who would make a cosy deal with the government at this point would have to be a fool. This is just not the time.

In dealing with Bill C-62, I think we need to recognize the point that was made by my hon. friend with respect to participation by all members. It goes without saying that, since we began dealing with the goods and services tax, we in the Liberal Party have tried to deal with it in a very forthright and dignified way. We intend to do that

throughout the remainder of this debate. Canadians have come to understand this fact.

• (1630)

If we are going to deal with tax reform, we are going to have to deal with it on the basis of what people are saying, what people are doing, and how people are presenting the alternatives that they hope Canadians will have to look at at some point.

I want to return to the alternatives. One of the problems with the goods and services tax that many, many people—

Mr. Butland: Be fair.

Mr. Young (Gloucester): Mr. Speaker, I hear things about alternatives. I will be fair. I will address the concerns of the New Democratic Party because I want to make sure that Canadians understand what is happening with the goods and services tax as it applies to the New Democratic Party.

When we began consideration at the Standing Committee on Finance on this matter, we had to deal with a number of people who wanted to appear before that committee—

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

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

Mr. Langdon: Mr. Speaker, if in fact the speaker wishes to address points dealing with the New Democratic Party, it seems to me he has at least a responsibility to permit New Democrats to speak in this debate.

The Acting Speaker (Mr. Paproski): I do not think I have to listen to any more grievances. I appreciate what the hon. member for Essex—Windsor is saying, but this House has made up its own rules and whence the rules are changed we will be able to look after such problems. The hon. member for Gloucester does have the floor on debate.

Mr. Young (Gloucester): Mr. Speaker, I want to go back to the rules and how they are applied, how they are interpreted and how they affect members of this place whether we are in the House or in the Standing Committee on Finance. One of the things that I was looking forward to as a member of the committee was the presentation that was scheduled on a Monday a few weeks ago by the New Democratic Party and a further presentation that was to have been made by the New Brunswick Federation of Labour.

I want to point out that the leader of the New Democratic Party of New Brunswick was here in Ottawa to assist in the presentation of her party. Mr. McCarthy, the president of the New Brunswick Federation of Labour, was here to assist in the presentation. Further, representatives of the Canadian Labour Congress were present in Ottawa and prepared to make presentations to the Standing Committee on Finance. I was looking forward with a great deal of anticipation to those presentations being made, as I am sure were all my colleagues.

Unfortunately we were unable to hear those persons. There was a procedural wrangle. The government became involved in moving motions in retribution for the way the New Democratic Party had handled matters previously when other witnesses were present at the beginning of hearings. This went on, Mr. Speaker, and I am sure that you deplored it as much as I did, for hours and hours and hours. The only redeeming grace in the whole thing was that, thank goodness, the New Democratic Party left its brief with members of the committee as did the New Brunswick Federation of Labour and the Canadian Labour Congress.

What we have today is a situation where I am glad to be able to help out in this way. I can indicate that as the Liberal Party said when we filed our minority report last fall we believe in massive and total tax reform based on the principles that I read today and which have been articulated over and over and over again. I cannot repeat it often enough. Any tax reform has to be based on fairness and simplicity. It has to be integrated into an over-all system respecting provinces and municipalities. It must be visible and it must be revenue neutral.

This was part of the minority report that was filed. From time to time, by various members of the New Democratic Party, the suggestion was made that there was no alternative. Treasurers and ministers of finance across the country at the provincial level were saying: "You have to consult with us. You have to understand what the impact is on us". Mayors, like the mayor of Vancouver said: "You have to understand the burden and the difficulty we are faced with when governments move unilaterally".

We took all of that into consideration and we said: "The Conservatives have not listened. We are in a terrible mess here." They would not listen. They did not care. We were going across the country. We were listening and we heard and we paid attention. My colleague from Sudbury and various other members of the committee sat down and said: "We have to put this together. We spent all this time listening. We will have to do it".

The New Democratic Party had done the same thing, had gone through the same process. Every now and then, like a sound from the depths, we would hear: "What is your alternative?". We would say that our alternative was to deal with tax reform in a meaningful way based on these fundamental principles that Conservatives and everybody else in the country, I am sure, agree on. The Conservatives had them set out in their documents dealing with their tax reform package. Unfortunately they had not met the test that they had set for themselves.

Then, as I say, thankfully I was able to read the briefs that were brought before the committee on that day. Through all kinds of machinations and tomfoolery that I would never get into, do not want to mention, and hope I never see again, we were unable to hear people who came in from my province of New Brunswick and from Sudbury.

Mr. Milliken: Why?

Mr. Young (Gloucester): The only explanation was tit for tat.The Tories were mad because the NDP had acted up and filibustered when other witnesses were before the committee. The New Democratic Party is a nationally recognized party. Where is it in the polls now?

Mr. Milliken: They are slipping too.

Mr. Young (Gloucester): They are going down with the new leader.

Mr. Langdon: On a point of order, Mr. Speaker.

Mr. Young (Gloucester): Here we were with people who were coming in to try to deal with serious measures and we just could not get to listen to them.

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

Mr. Langdon: Mr. Speaker, I hesitate to interrupt this fascinating, absolutely brilliant speech by the member for Gloucester, but he has suggested that the New Democratic Party has been declining in the public opinion polls. I simply point out to him that the most recent polls in fact show us going up.

The Acting Speaker (Mr. Paproski): The hon. member for Gloucester has the floor on debate.

Mr. Young (Gloucester): I want to deal with the facts that would have been presented to the Standing Committee on Finance had we been able to hear these people when they travelled from all over the country to Ottawa to be heard.

I refer to the brief presented by the New Brunswick Federation of Labour. It is very important to make these points clear when you are talking about alternatives because the implication has always been that the New Democratic Party has alternatives. I would like you, Mr. Speaker, to listen to this very closely.

The New Brunswick Federation of Labour joins with the trade union movement across Canada in rejecting the GST and demanding a royal commission on taxation.

Mr. Epp: We've had 20 of them.

Mr. Young (Gloucester): The minister says that we have had 20. This is the NDP. The New Brunswick Federation of Labour asked that there be a royal commission. This is very interesting stuff.

Here is the New Democratic Party's presentation to the Standing Committee on Finance and Economic Affairs—

Mr. Langdon: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. member for Essex—Windsor on another point of order.

Mr. Langdon: I appreciate very much the effort on the part of the Liberal finance critic to put these points on the floor. I would simply ask, especially as he is a member of Parliament from New Brunswick, that he not insult the New Brunswick—

The Acting Speaker (Mr. Paproski): That is debate. The hon. member for Gloucester has the floor.

Mr. Young (Gloucester): Mr. Speaker, I would like to quote the Canadian Labour Congress and the brief that it presented.

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

Mr. Young (Gloucester): This is what the Canadian Labour Congress had to say: "Today we again urge the government, through this committee, to withdraw the proposed GST and instead launch an independent systematic review of the existing tax system". That sounds good to me; that sounds real good to me.

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

Mr. Young (Gloucester): The following are the comments made by the New Democratic Party in its brief presented to the Standing Committee on Finance: "The New Democrats would start the process toward a fairer tax—"

The Acting Speaker (Mr. Paproski): I will recognize the hon. member on a point of order.

Mr. Langdon: The point of order which I was finishing was that the member had suggested that he would outline the alternatives of the New Brunswick Federation of Labour. He mentioned just one point from the brief and I would urge him, as an MP from that province, to—

• (1640)

The Acting Speaker (Mr. Paproski): That is not a point of order. It is a point of debate. The hon. member for Gloucester has the floor.

Mr. Young (Gloucester): I understand the point being made by the member. I do not blame him for being embarrassed. If the New Democratic Party has a position, why does it want a royal commission? If you have a position, you have a position. The New Democratic Party says in its own brief: "New Democrats would start the process toward a fairer tax system by rolling back the level of the existing sales tax to 1984. Of course this would only be an interim measure, as New Democrats believe the time has come for another royal commission."

Mr. Whittaker: Point of order, Mr. Speaker.

Mr. Young (Gloucester): Mr. Speaker, this is the New Democratic Party. It has a position and it wants a royal commission.

The Acting Speaker (Mr. Paproski): I believe there is another point of order by the hon. member for Okanagan—Similkameen—Merritt.

Mr. Whittaker: Mr. Speaker, I know this particular member for Gloucester to be an honourable person. He has spoken of fairness and honesty with respect to alternatives. I would urge him to wrap up his speech and give the Leader of the New Democratic Party the opportunity of putting some of those alternatives to the House.

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

Mr. Young (Gloucester): Mr. Speaker, the point I am trying to make is a very simple one. The government has had a lot of difficulty in selling the GST. The New Democratic Party has said over and over again that it wants a royal commission to be able to develop a position. I understand that. There is no problem with that.

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

Mr. Young (Gloucester): Our position is very clear. We have said over and over again that the only basis for tax reform in this country is to deal with it in a fair and equitable way.

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

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

Mr. Fisher: Mr. Speaker, I take exception to the—

Mr. Epp: That's not a point of order.

Mr. Fisher: The member has insinuated that the New Democratic Party somehow brought the CLC and the New Brunswick Federation of Labour—

Some Hon. Members: Debate.

Mr. Fisher: We had their support.

The Acting Speaker (Mr. Paproski): That is debate. The hon. member for Gloucester has the floor.

Mr. Peterson: On a personal point of privilege, Mr. Speaker.

Mr. Epp: Personal? What's the difference between that and privilege?

The Acting Speaker (Mr. Paproski): The hon. member for Willowdale has a point of privilege.

Mr. Peterson: Mr. Speaker, I have been in this House for the last 15 minutes listening to the member for Gloucester making very credible points. During that period of time I have counted and there have been 10 interruptions by the NDP on spurious points of order. I feel my ability to carry out my function on behalf of the people of Willowdale is being impaired by the disorderly conduct in this Chamber of those members. I can only

suggest that the only discipline appropriate would be to cut them off.

The Acting Speaker (Mr. Paproski): That is not a point of privilege. It is a point of debate. It is a grievance. The hon. member for Gloucester has a couple of minutes left.

Mr. Young (Gloucester): Mr. Speaker, again in the spirit of fairness, we should make sure that the point of view that would have been expressed at the Standing Committee on Finance on the day in question is heard in this House. It is very simple. I feel very badly that the New Democratic Party does not want to recognize the documents that were brought forward here. This is a presentation by the Canadian Labour Congress to the House of Commons on the goods and services tax—

Mr. Dorin: On a point of order, Mr. Speaker.

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

Mr. Dorin: Mr. Speaker, the hon. member for Broadview—Greenwood has put forward a very interesting tax proposal. I am wondering whether the hon. member for Gloucester can respond today and endorse that on behalf of the Liberal Party, and then we could perhaps all agree to go forward.

Some Hon. Members: Debate.

The Acting Speaker (Mr. Paproski): It is my duty, pursuant to Standing Order 38, to inform the House that questions to be raised tonight at the time of adjournment are as follows: the hon. member for Edmonton East—Petro-Canada; the hon. member for Halifax—Women's Centres; the hon. member for Chambly—Environment.

It being 4.45 p.m., pursuant to the order made in accordance with the provisions of Standing Order 78 on Thursday, April 5, 1990, 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 Acting Speaker (Mr. Paproski): All those in favour of the motion will please say yea.

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

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

(*Division No. 244*)

YEAS

Members

Anderson	Andre
Atkinson	Attewell
Belsher	Bernier
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Casey	Chadwick
Champagne (Saint-Hyacinthe—Bagot)	Champagne (Champlain)
Charest	Chartrand
Clark (Brandon—Souris)	Cole
Collins	Cook
Cooper	Corbeil
Corbett	Côté
Couture	Crosby (Halifax West)
Danis	Darling
DeBlois	de Cotret
Della Noce	Desjardins
Dick	Dobbie
Dorin	Duplessis
Edwards	Epp
Fee	Ferland
Fontaine	Friesen
Gérin	Gibeau
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Holtmann	Horner
Horning	Hudon
Hughes	Jacques
James	Jelinek
Johnson	Joncas
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Rosedale)
MacDougall (Timiskaming)	MacKay
Malone	Marin
Martin (Lincoln)	Masse
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McKnight	McLean
Merrithew	Mitges
Monteith	Nicholson
Oberle	O'Kurley
Plamondon	Plourde

Porter
Redway
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Sobeski
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Vézina
Vincent
Wilbee
Assiniboia)
Worthy—144

Pronovost
Reid
Ricard
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Valcourt
Venne
Vien
White
Wilson (Swift Current—Maple Creek—
Winegard

NAYS

Members

Althouse
Angus
Assad
Baker
Bélair
Benjamin
Black
Blaikie
Boudria
Butland
Callbeck
Catterall
Comuzzi
Dingwall
Duhamel
Ferguson
Flis
Foster
Funk
Gagliano
Gauthier
Grey (Beaver River)
Harb
Harvey (Edmonton East)
Hopkins
Hunter
Karpoff
Keyes
Kilgour (Edmonton Southeast)
Kristiansen
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLellan
Maheu
Marchi
McCurdy
McLaughlin
Milliken
Murphy
Nunziata
Ouellet
Parent
Peterson
Pickard
Rideout
Robichaud
Rocheleau
Rompkey
Simmons
Skelly (Comox—Alberni)
Stewart
Taylor
Vanclief
Waddell
Whittaker
Young (Gloucester)

Anawak
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Barrett
Bellemare
Bevilacqua
Blackburn (Brant)
Blondin
Brewin
Caccia
Campbell (South West Nova)
Clancy
Copps
Dionne
Edmonston
Fisher
Fontana
Fulton
Gaffney
Gardiner
Gray (Windsor West)
Guarnieri
Harvard
Heap
Hovdebo
Jordan
Karygiannis
Kilger (Stormont—Dundas)
Kindy
Langdon (Essex—Windsor)
Laporte
Lee
MacDonald (Dartmouth)
MacWilliam
Manley
Marleau
McGuire
Mifflin
Mills
Nault
Nystrom
Pagtakhan
Parker
Phinney
Proud
Riis
Robinson
Rodriguez
Samson
Skelly (North Island—Powell River)
Speller
Stupich
Tobin
Volpe
Wappel
Wood
Young (Beaches —Woodbine)—114

Mr. Speaker: I declare the motion carried.

Bill read the third time and passed.

• (1720)

Mr. Speaker: The hon. member for Mission—Coquitlam.

Ms. Langan: Mr. Speaker, I was unable to reach the House in time, but had I been here I would have cast my vote with my party against this bill.

The Acting Speaker (Mr. Paproski): It being 5.21 o'clock p.m. the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

On a point of order, the hon. member for Kamloops.

Mr. Riis: Mr. Speaker, recognizing that we have had an important vote, and recognizing the value of Private Members' Hour which we have cut into by 22 minutes, I wonder if we could have unanimous consent to have the full hour of debate today.

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

Some Hon. Members: No.

The Acting Speaker (Mr. Paproski): No, there is not unanimous consent.

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

SCIENCE

WATER SCIENCE RESEARCH INSTITUTES

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap) moved:

That, in the opinion of this House, the government should consider the advisability of developing Water Science Research Institutes in critical watersheds, such institutes to be responsible for researching and developing innovative methods of water resource management, including land-based sewage treatment, waste-water recycling and the development of long-term water management plans.

He said: Mr. Speaker, what I have to say may be a little anti-climactic after such a session, voting on the goods and services legislation, but I think it is an important matter in its own right.

A fundamental global threat is the acceleration of the pressure of human activities on the natural resources and the ecosystems on which life itself depends.

The recent report of the Brundtland Commission stated very bluntly that our fragile planet simply cannot sustain the current destructive industrial practices when its population is expected to double within the next 35 years. That threat is best exposed when we look at the impact of man's activities on the quality of our inland waters and oceans.

Water is the lifeblood of the biosphere and, as a fundamental component of a complex ecosystem, the preservation of its quality is essential to ensure our continued survival.

Although Canada holds 20 per cent of the world's fresh water, it possesses only 9 per cent of the world's fresh, renewable water. The rest, according to the Science Council of Canada, is "fossil water" which is a legacy of the melting ice sheets.

Our over-all supply of water is truly formidable, but the picture disguises wide variations. Over 60 per cent of Canada's river flow is carried northward where only 10 per cent of Canada's population lives. Major sections of Canada's population, including the prairies and the interior dry belt of British Columbia live in regions of chronic water shortage.

Canadians have failed to recognize that, despite our exponentially increasing demand for water, there is in fact a limit to the fresh water run-off from the land each year and thus there is also a limit to its availability for consumption.

The 1973 report of the Science Council of Canada stated that "Canadians must begin the transition from a consumer society preoccupied with resource exploitation, to a conserver society engaged in more constructive endeavours" and, I might add, a more judicious husbandry of our resources.

Evidence of the over-exploitation of our water resources and the consequences of environmental stress are becoming all too clear to all of us. Pollution from human activities has destroyed aquatic life, inhibited the reproductive capacity of mammals and birds and now threatens our very existence. The misuse of our water resources has caused widespread degradation of our soils, has disrupted our supplies of clean potable water and has generated massive economic dislocation. We can no longer afford to use our waterways as convenient dump sites for domestic and industrial wastes. To continue on our present path jeopardizes the integrity of our total environmental system. With it, it jeopardizes the economic well-being and in fact our very survival.

In recent years, pollution from human activities has seriously disturbed the composition of species and has greatly increased the rate of species extinction. It is estimated that aquatic ecosystems in some parts of North America have lost up to 20 per cent of their indigenous species because of the acidification of our lakes by airborne pollutants.

Twenty-four species of birds are endangered in the east as a result of the impact of acid rain.

Estimates of the number of lakes at risk in Canada from acid rain range up to 600,000. Already as many as 100,000 lakes have been seriously damaged. Approximately 14,000 of those lakes are biologically dead. Unless acid rain depositions are reduced, another 10,000 to 40,000 will also die.

More than 360 chemical compounds have been found in the Great Lakes systems alone. Among them are a number of persistent toxins. They include alkylated lead, benzopyrene, DDT, hexachlorobenzene, mercury and other heavy metal contaminants, polychlorinated biphenyls and a slew of other chemical cocktails.

It is no wonder that of the 10 most highly valued species of fish in Lake Ontario, seven have almost completely disappeared. It is no wonder that in the species still remaining, tumours and lesions have been found and their ability to reproduce effectively has been questioned. Evidence also links a sharp increase in deaths among beluga whales to contaminants in the fish that they eat. Canadians should not be surprised to hear of closures in the west coast shellfish industry because of the dangerously high contamination from pulp mill effluents.

Throughout the aquatic food chain the phenomenon of biological magnification is occurring, causing those species at the end of the food chain to ingest and to accumulate lethal concentrations of toxins and pollutants. Fish-eating birds, for instance, such as herring

gulls, herons, and bald eagles have been affected and populations have declined.

The need for urgent action to maintain the health of our waterways is abundantly clear. Although pollution is more often the cause of water problems for Canadians than scarcity, there is also the problem of the demand for water in areas such as the southern prairies and in the interior of British Columbia where the demand already approaches the limits of supply and shortages in dry years are becoming more and more common.

• (1730)

Problems also exist in how we dispose of our sewage effluent. Only 57 per cent of Canadians are in fact served by waste water treatment plants, compared to some 74 per cent of Americans and 99 per cent of the Swedish population. In addition, 28 per cent are served by sewage collection systems, but the sewage is discharged into a lake, into a river or into the ocean without treatment. In 1984 approximately 2,200 of Canada's 3,250 communities had sewer systems, and of these only 44 per cent had some kind of sewage treatment.

However there are some success stories. The communities of Vernon and Osoyoos in the Okanagan Valley have demonstrated what can be accomplished with innovative approaches to waste management disposal. These communities have learned to put their effluent to work for them, by disposing the treated waste water on to the surrounding grasslands and the fields and crops. Vernon is now attempting to implement a program of wild land irrigation, but I must add that the lack of provincial and of federal commitments for this funding are proving to frustrate their efforts.

It is high time that the federal government took an active role in developing and in funding alternative methods for sewage waste disposal so that other communities across Canada can benefit from these efforts.

Canadians too often take our water resources for granted. We are in fact the world's second largest user of water on a per capita basis. Canadians use 4,100 litres per day and Americans use 6,300 litres per day. Those figures include both domestic and commercial use. The average domestic use for Canadians is a startling 300 litres per day. Our experts tell us that we need to curb the waste of our water resources. Our water crisis in Canada is fundamentally a problem of resource mismanagement. According to scientists we can become 90 per cent more water efficient. What is needed is to allow a better husbandry of our water resources and a more thorough understanding of our hydrologic cycle. We need more information about how water supplies are managed before we can implement the detailed management strategies that are needed. Above all, we need to develop a coherent picture about the state of Canada's water supplies, both in terms of quality and quantity.

Canadians, largely out of ignorance, have squandered their water resources. For too long water in Canada has been treated as a free commodity with no financial incentive for conservation. It is estimated that it would take the equivalent of 5,000 litres of water just to put a restaurant meal on the table. The average Canadian uses 300 litres of water per day, but biologically they need only 1 to 2 litres a day for consumption. It takes 10,600 litres of water to grow a half a pound of beef. A McDonald's Quarter Pounder requires 2,790 litres of water just for the beef. That does not include the water needed to grow the tomatoes, lettuce, or the grain for the bun.

One apple tree growing in the Okanagan Valley consumes 465 litres of water each day. When you consider that 70 per cent of our irrigation water is lost to evaporation, it conceivably takes up to 1,500 litres of water each day to feed a single growing apple tree.

There is no doubt about it: water is indeed critical to human survival. That is why it seems reasonable that to tackle the environmental problems before us today we should start with the most basic of all resources—our water.

Canada's federal water policy announced in 1987 has remained essentially a toothless document. It has limited itself to a philosophical statement of the government's goals and its projected objectives.

However the federal water policy does commit the government to a joint co-operative approach to water management with the provinces since under the Constitution Act the provinces in fact exercise direct control over many aspects of water management.

The policy states: "The federal government intends to work with the provinces and territories to encourage the provision of safe and sufficient water supplies for Canadians". The over-all goal of the federal water policy is to "encourage the use of freshwater in an efficient and equitable manner consistent with social, cultural and environmental needs".

To achieve this goal the policy identifies two major objectives: first, to protect and enhance the quality of the water resource and, second, to promote the wise and efficient use of water.

To achieve these objectives the policy has outlined specific tasks. These include establishing research advisory mechanisms with representation from scientific and applied research personnel, developing and maintaining with the provinces and territories water data and information systems directed to improving the knowledge available for managing Canada's water resources.

It also talks about promoting co-operative federal and provincial endeavours as well as undertaking and supporting research and development in these issues.

The policy further emphasizes that it endorses an integrated approach to water management, taking into account all water uses and water related activities within whatever political, administrative, economic or functional boundaries that are defined. I interpret that as an approach that is synonymous with joint federal-provincial territorial planning.

The critical point to make here is that the 1987 federal water policy gives a firm commitment from the federal government to become directly involved with water management in co-operation with the provinces and territories.

That commitment, although it has been well intentioned, I submit has as yet remained unfulfilled. It is time that the government replace the rhetoric with action.

In a recent document entitled *Water 2020*, which was put out in 1988 by the National Science Council, the report states that the water use problems facing Canadians can only be solved when we apply science to achieve our goals.

The growing scale of cultural and technological developments which pose threats to water quality requires that water science become central to all policy decisions.

Canadian water policy requires strong leadership. However there has been little evidence of that leadership in water science today. The research is fragmented among many different departments and co-operation between agencies, to say the least, is weak indeed.

The federal government has 22 departments and agencies with different responsibilities for water. For example, pesticides, a major contaminant of inland waters and a potent toxin to aquatic life, are regulated by Environment Canada while exhaust emissions, which is a causative factor in acid rain, are the responsibility of Transport Canada.

As a result, we have at best an *ad hoc* and unco-ordinated response to complex environmental problems rather than an integrated approach to monitoring, control and conservation.

Today, in some federal departments, scientific excellence is imperilled by a dispirited research population that is struggling to find the appropriate challenges and an effective policy role. As of 1988, Environment Canada had only five Ph.D. level scientists in ground water research working at its two national research institutions.

There is no national, long-term, co-ordinated program in water science research today. Partly as a consequence of that, Environment Canada has over the past seven years lost many top notch scientists to the United States. To be blunt about it, the present political and administrative structure is totally incapable of developing the integrated policy and the programs that are needed to tackle our water related environmental problems. We must adopt a new approach if we are to find effective solutions.

What are the solutions? There is an urgent need for the federal government to develop a national plan for water use and conservation. This plan has to be backed up by strong legislation.

• (1740)

The National Science Council has recognized the need for increased research and development in water science, including the need for the development of a comprehensive water resource inventory, the develop-

ment of a program for integrated water resource management, and the implementation of specific post-secondary educational and training programs in water science.

As a first step in facilitating these objectives, my colleagues and I call upon this government to establish regional water science research facilities in critical watersheds throughout Canada. Such facilities could be administered jointly by the ministries of the Environment, Fisheries and Oceans, Health and Welfare, and Agriculture through a newly established department of water science. This department would in turn be mandated to work co-operatively with the appropriate provincial and regional authorities to establish needs and priorities as determined by the nature of the watershed.

As has been recommended by the National Science Council, each facility should be attached to at least one university or other post-secondary institution and should include at least five scientists. Each facility would be responsible for conducting ongoing research in all aspects of water use, including the collection of pertinent hydrologic data of the water supply area. Each research facility could work with the provincial and regional facilities to ensure that the efforts are incorporated into regional water management plans.

As well the new department of water science, in liaison with the National Research Council and provincial post-secondary institutes, could develop educational and training programs in water science research. Such programs would help resolve the critical lack of training facilities and provide academic centres for post-graduate research programs in conjunction with the research facility.

Finally, I would suggest that as a provincially designated environmentally sensitive area, which is already experiencing serious water shortage conflicts, the Okanagan and Shuswap watersheds could provide an ideal location for a pilot project of this sort. The construction of a prototype water science research facility would address the serious water resource problems in this region and would help develop the framework for the implementation of a national program of water resource management.

In concluding, I ask that this government support this motion today and, by so doing, begin to tackle the serious water resource problems that continue to confront this nation.

[*Translation*]

Mrs. Monique B. Tardif (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, water resource management has been the subject of thorough consultation in this country. The Commission of Inquiry on Federal Water Policy, established in January 1984, stated in its final report, published in 1985, that water management problems were no longer local problems of water supply and water pollution; they had taken on regional and even global proportions.

Subsequently, an interdepartmental task force was set up to consider the commission of inquiry's recommendations and draft a general framework for the federal water policy.

In November 1987, the government announced its federal water policy, whose main objective is to encourage fair and realistic use of fresh water in Canada, so as to meet the social, economic and environmental needs of present and future generations.

The policy is intended to achieve an integrated approach to water resource planning and favours the kind of water use that will help to maintain the many relationships established within our ecosystem. To manage Canada's water resources, the government has set itself two main goals: Preserve and improve water quality and encourage realistic and effective water management and consumption. The policy outlines 25 specific issues and five basic courses of action: pricing of water services; leadership role in water science; integrated planning; legislation; and public awareness.

Mr. Speaker, with these strategies the government not only intends to obtain the co-operation of the provinces and territories as well as multilateral organizations in other countries, it also wants to support various federal agencies, municipalities, industry, universities and environmental organizations so that they will be able to take the necessary action to deal with specific issues that concern them and can meet future challenges in water resource management.

This policy is now being discussed at the interdepartmental level, with discussions to be followed by a report to the Minister of the Environment on the various activities of the departments involved in its implementation. The problems with which Canada must deal in this

area are national and international in scope and concern increasingly complex issues. Faced with a range of water-related problems that goes beyond traditional geographical boundaries, the government stresses its leadership role in water science, bearing in mind the responsibilities it shares with the provinces and territories.

Supporting research efforts and developing scientific expertise and the transfer of knowledge and technology by promoting effective partnership among the various parties concerned and co-operation at the national and international level are major components of the role the federal government intends to play. One of the most important areas identified by the federal government for the development and transfer of water management technologies in municipal infrastructures is waste water treatment.

Together with the provinces and municipalities, the federal government promotes pricing of water consumption by publishing findings, data and studies on water pricing. In line with this policy, Mr. Speaker, the federal government, through its waste water technology centre in Burlington, is involved in research and promoting the development and transfer of new technologies in the treatment of municipal and industrial waste.

Careful management of our water resources depends on a thorough knowledge of these resources and their utilization. Data collecting and scientific research are essential to appropriate decision-making on water management, which requires the co-operation of all levels of government and the private sector. The increasing number and complexity of problems encountered in water management has made it necessary to go beyond strictly local considerations to develop skills commensurate with regional, national and international requirements.

Furthermore, most of the major issues in Canada at this time that represent a challenge to scientific research, for instance, climatic changes and toxic contaminants, require both a multidisciplinary approach and effective co-operation among the various members of the scientific community and the decision-makers, as well as between the government and the private sector, and also increased emphasis on international co-operation.

Environment Canada supports a large part of federal water research which, in most cases, is carried out by the Inland Waters Directorate and its two research institutes. These institutes total 328 person-years and have a research budget of $25 million.

The National Water Research Institute located in Burlington, Ontario, is the largest centre for fresh water research in Canada. The research carried out by the institute is aimed at improving knowledge and skills in the area of water quality, in order to play a leading role in upgrading aquatic resources and promoting the transfer of these skills and technologies in the perspective of sustainable economic development.

Mr. Speaker, the institute's research program covers many fields but focusses on the following national and international issues: toxic contamination of the Great Lakes; contamination of underground waters; acid rain; deterioration of Earth's atmosphere; contaminated sediments; restoration of lakes; pesticide evaluation; and evaluation and modeling.

The National Hydrology Research Institute, in Saskatoon, Saskatchewan, has the mandate to study various aspects of the hydrologic cycle with a view ensuring a more efficient management and a better protection of Canadian water resources.

Research projects are grouped under three main programs: hydrological processes and climatic changes; impact of human activities on the environment; and Northern watersheds.

The institutes try different ways of regionalizing research projects. Scientific expertise is available to conduct research projects in many areas of the country where problems vary more by their magnitude than by their nature. For example, National Water Research Institute technicians have begun tests in Prince Edward Island to find out whether Aldicarb, a pasticide used in potato fields, has any effect on underground water levels.

• (1750)

The NWRI technicians have also develpped new lake water clean-up techniques in Alberta and Ontario. Mr. Speaker, on the northern edge of the riding of Charles-

bourg, in the middle of the Parc des Laurentides, we have the calibrated basin of Lake Laflamme, something which can best be described as an open air laboratory.

In their survey on atmospheric pollutants drifting over long distances, Environment Canada and three Quebec universities—Laval, McGill, *Université du Québec*—have been working for more than three years on a complex model to predict the impact of acid water from melted snow and ice on the water habitat and the organisms that live there.

Thanks to the work of this dedicated team the integrated model's quantitative and qualitative parameters have been checked against the on-site data collected during the spring thaw at Lake Laflamme.

Research has been extended outside the calibrated basin because the model is now being used in a project to find out the effect of spring run-offs mixed with acid rain over Quebec's southern regions.

This open air laboratory also enables Environment Canada researchers to monitor rain and surface water quality, thus highlighting the beneficial effects of the federal-provincial sulphur oxide emissions.

Considerable progress has been made in dealing with the most important water problems such as the effect of acid rain on water ecosystems, toxic contamination, climate changes and municipal and industrial water demand management.

Mr. Speaker, the federal government is committed to maintaining its leadership role in science and to promoting continued co-operation with the provinces in order to co-ordinate efforts.

The St. Lawrence action plan and the establishment of the St. Lawrence Centre in Montreal through which the federal government will spend $100 million over five years to clean up, protect and preserve this river symbolize the intensification of federal-provincial efforts to promote efficient co-operation and consultations among multiple partners.

The government also recognizes the water-savings aspect and will focus its efforts on maintaining a balance between growing socio-economic demands and the continued capacity of our freshwater resources within the context of sustainable development.

[*English*]

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, it is no surprise that the member for Okanagan—Shuswap feels compelled to put such a motion, given this government's bad record on water.

In November 1984, $45 million was chopped from the budget of Environment Canada, including a 25 per cent cut to the Canadian Wildlife Service and eliminating programs like the herring gull study in the Great Lakes. The government received good advice but chose to ignore it. In September 1985, the report of the inquiry on federal water policy, headed by Peter Pearse, provided the government with a blueprint for a federal water policy.

However, in 1987 the minister of the day released a flimsy collection of one-page statements optimistically called "A Federal Water Policy". It was descriptive of the problems facing Canadians but lacked substance. It promised to consider legislation to ensure safe drinking water but only in areas of federal jurisdiction. This promise was recycled in the Throne Speech in April 1989 and is recycled again in the present Minister of the Environment's recently released discussion paper. Unkept promises, that is the trademark of this government.

Today Canada does not yet have model legislation on water nor a clearly defined policy. The 1987 paper promised to strengthen federal legislation to prohibit the export of water. The 1987 paper promised to strengthen the approval process under the Navigable Waters Protection Act. Two and a half years later the Oldman Dam is the subject of a court ruling. Why? Because the Minister of Transport fails to comply with the guidelines of environmental assessment.

After promising strength the government delivers weakness. To make matters worse, it has now been one month since the Federal Court decision and still this government refuses to comply with the ruling. What a degree of hypocrisy.

We must conclude that there is an alarming pattern emerging on the issue of water. This government reduces spending on research, has not kept promises of new legislation since 1985 and poorly enforces existing laws. Unfortunately, this pattern is typical of the over-all environmental policy of this government.

Take, for instance, the mythical environmental assessment legislation. It was promised by the Progressive

Conservative Party in the 1984 election campaign. The second time was a promise of extensive public consultation during the spring of 1988—which actually did take place. The third time we heard an announcement of the main components of the draft legislation was during the 1988 election. Then we hear again about the environmental assessment legislation in April 1989 with a Throne Speech. The fifth time is the discussion paper released by the Minister of the Environment at the end of March 1990, and for the sixth time in a very fine speech on March 30 by the parliamentary secretary of the environment when he told us that it would be five weeks from that date.

I am glad to see him in the House because I am quoting him word for word when he said five weeks. We have six commitments over a period of six years. That is the period of time over which the Progressive Conservative government has promised environmental assessment legislation.

I know that one of my colleagues who would like to speak so I will conclude briefly by saying that the Tory record on the environment is highlighted by the debates today on water. It will be remembered at the next election because it was strong on promises but weak on action. It was good on public relations but weak on substance. It was successful at raising expectations but it was followed by widespread let-downs. No wonder the Tories are so low in public opinion polls.

Mr. Stan Wilbee (Delta): Mr. Speaker, I have a 10-minute speech to deliver in about two minutes. What I would like to do this afternoon is briefly outline some of the steps that the government has already taken.

I think we recognize the need to protect our water, as this motion suggests, and to safeguard our drinking water and protect the many waterways we have in our country. My colleagues have already outlined extremely well the valuable asset we have.

In my province of British Columbia we are currently discussing the sale of water to the Americans and across the Pacific. One of my colleagues across the aisle was showing me some of the statistics on the value of clean water. A gallon of fresh water has a value of $7 in Japan and $4 in the United States.

The Acting Speaker (Mr. Paproski): The hour provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

PETRO-CANADA

Mr. Ross Harvey (Edmonton East): Mr. Speaker, the government says it is going to privatize Petro-Canada. In fact, it is going to sell it off for less than it is worth and it is going to increase foreign ownership and control of the Canadian energy industry. Furthermore, it is going to throw away what is potentially one of our best vehicles for positive environmental action, for moving Canada away from being one of the most irresponsible wasters of energy toward a more environmentally responsible energy future.

Who loses in this deal? The Canadian taxpayer. The government says it will start the privatization with a treasury issue of 15 per cent of the company. What will it do with the estimated $500 to $700 million expected from the sale of that 15 per cent share? In a brilliant marketing move cited in the February 21, 1990, *Ottawa Citizen*, unnamed finance department denizens speculated that it would all be ploughed back into the company. Such a deal!

Mr. Capitalist would buy shares knowing that the Tories would give him back the money he paid for the shares, in the form of equity in the company of which he had just become a shareholder. And equity assets built up in a Crown corporation on behalf of all Canadians would be torn out of public hands and given away. And these guys are known for their shrewd management of the public purse? It boggles the imagination.

Who, besides the eventual owners of the shares will benefit from this deal? RBC Dominion Securities and Wood Gundy Inc., the two firms that conducted the

August, 1987, study for the government on whether or not Air Canada should be sold, themselves underwrote that privatization one year later, walking away with over $30 million for their troubles. The total brokerage fees, bonuses and miscellaneous payments on the Petro-Canada sell-off could amount to more than $170 million. Thanks, Canadian taxpayers.

Why are the Tories doing this? Their story is that the company needs capital but cannot assume any more debt. The question that confronts us is: Is Petro-Canada really lumbered with debt to the point where it cannot borrow any more? The answer is, no. As of the end of 1988, Petro-Canada's total debt was about $2 billion, of which about $1 billion was long-term debt. Its shareholder equity was about $4 billion.

In fact, Petro-Canada's long-term debt compares favourably with that of such other notables as TransCanada Pipelines Limited, at $2.4 billion; Amoco Canada Petroleum Company Limited, with a $4 billion long-term debt; Columbia Gas System Incorporated, at $1.3 billion; and one my favourites, Nova Corporation of Alberta, with a $4.2 billion long-term debt. Those are 1988 annual report figures.

More to the point, Petro-Canada's long-term debt to equity ratio, 1 to 4, is well within industry standards. With the exception of long-established multinational subsidiaries like Imperial Oil, with a 1 to 7 ratio, many industry players have ratios similar to or worse than Petro-Canada's. Canadian Oxidental Petroleum Limited at 1 to 3; Alberta Energy Company Limited at 1 to 1.2; Norcen Energy Resources at 1 to 2.3; Total Petroleum North America Limited at 1 to 1.8; and Pan-Canadian Petroleum Limited at 1 to 3.5 remain active participants in the industry. Indeed, one of the oldest, best established multinationals in Canada, Shell Canada Limited, has a long-term debt to equity ratio identical to Petro-Canada's.

So it was no real surprise when, last December, the well-known New York rating agency, Moody's Investor Service Incorporated, gave Petro-Canada a triple A rating on about $400 million of newly filed debt securities.

As the *Toronto Star* observed in its report:

> Such a rating, a shade lower than the highest designation for debts of the federal government, suggests strong borrowing status.

Indeed, "strong borrowing status". It would seem by all standards that Petro-Canada could comfortably assume a great deal more debt than it has now and still remain a healthy and vigorous player in the Canadian petroleum industry. In fact, as the Moody's rating shows, while in the public sector the company can support greater debt, because of lower service costs occasioned by its status as a federal treasury backed Crown corporation, than it could as a private sector player.

But what about the other side of the capitalization coin? What about all that money that can be made for Petro-Canada from the huge stock issue? Sorry. Unless the federal government is willing simply to give away money to the company by continuing to plough the proceeds of share sales back into Petro-Canada as the shares are sold, Petro-Canada will not get that money at all. Again, the taxpayers of Canada have about $4 billion worth of equity in Petro-Canada. If the company is to be sold, those taxpayers are quite reasonably going to want at least that $4 billion back.

• (1805)

As noted before, the government is already talking about giving back to the company the proceeds of the first offering, that 15 per cent share offering totalling somewhere between $500 million and $700 million. Presumably, the government would have serious political difficulty pursuing such wonderful generosity further, especially at a time when it is cutting back on health care, education and social services because of the fiscal holy crusade.

That leaves the energy equity markets having to absorb a subsequent issue of $3 billion to $3.5 billion, all of which has to go to the federal treasury before Petro-Canada can haul in so much as one more loonie.

The fact of the matter is that dumping Petro-Canada on to the energy equity markets, especially at a time when Imperial Oil will be struggling mightily with the capital task of swallowing Texaco Canada, seems to be just about the worst way one could go about raising the further money the company needs. It will be cumbersome, necessarily long term, and unavoidably entail a raid of some scale on the public purse. There is plenty of corporate elbow room for further debt financing anyway.

The question we have to ask ourselves, and the question I would put to the government this evening is simply this. How is it that you folks continue to so blindly choose the wrong options?

I will have more to say on this in debate on the bill which we have been promised for this session. For the time being, I will let it go at that.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, on behalf of the Minister of Finance, I am happy to have this opportunity to respond to the questions raised by my hon. friend both here this evening and in the House on February 23 of this year.

I would suggest to you, Mr. Speaker, that it is probably premature at this time to speculate on how much Petro-Canada is worth and how much it will be worth at the time at which it is offered to the Canadian public.

The actual value of the corporation will be determined at the time when the shares are offered to the public. I would suggest that that value will be determined by a number of factors, including the world oil price at that time, the corporation's expected performance and the state of the equity and bond markets.

Even then, the value will probably only be relevant for a short period and will fluctuate significantly over time as the government sells its shares.

The initial offering will be a treasury issue to be managed by Petro-Canada. The final details, including the size of the issue and the method of distribution, will be worked out with the underwriters after the legislation to which the hon. member has referred has passed this House. The size will certainly be no larger than the market is capable of absorbing.

On February 23 the hon. member referred to the net worth of Petro-Canada, by which I would assume he means the company's book value of assets less liabilities or shareholders' equity. I would point out that the number he quoted on that occasion is somewhat different from the amount appearing in Petro-Canada's most recent financial statements, which is approximately $2.7 billion.

In any event, I would assume that any market analyst would advise the hon. member that today's book net worth is only one of many criteria to be taken into account in determining the value the government will receive for Petro-Canada over the coming years.

In valuing Petro-Canada, potential investors will consider that the company has one of the largest holdings of Canadian oil and natural gas rights, is a leading producer of oil, natural gas and natural gas liquids and is one of the most active oil and gas explorers in Canada. With annual operating cash flow of some $800 million and plant and equipment of almost $5 billion we believe that Petro-Canada is well positioned to take advantage of discoveries in both western Canada and eastern frontiers.

We believe that the offer, when it is presented, will be well received and it will provide the company with the type of equity which it needs to enable it to be more active in the future.

WOMEN'S CENTRES

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise tonight pursuant to a question that I posed in this Chamber last week relating to the funding of women's centres under the Women's Program of the Secretary of State.

This issue has become a *cause célèbre* for Canadian women. The basic core, if I may use that word, of the issue is the difference between core funding and project funding.

Core funding covers the kinds of expenses that keep these organizations open. In other words, it pays the rent, for lights, heat, incidentals of that nature and usually a part-time salary for a co-ordinator.

• (1810)

Project funding, as its name implies, covers a specific project put forward in a grant application by the organization to cover any number of things. It might have to do with studies relating to sexual assault victims. It might have to do with employment equity programs or short-term education programs. Various and sundry projects come under project funding.

The problem is that $1.6 million, which covered over 70 centres in this country, has been cut. The women who depend upon these centres, as well as the women who work and volunteer in these centres, have no security for their future endeavours.

We have heard the Secretary of State and the Minister responsible for the Status of Women say to us: "Don't worry, we are prepared to grant you project funding". But philosophically and practically, that is unacceptable.

We know the $1.6 million has been cut. Last year and in the years previous—ever since the Liberal government instituted these programs—women could look to core funding to keep their centres open and project funding to do the specific works they wished to perform. What has effectively taken place is that the government is asking these women and the women across Canada to share in a still smaller pot that relates to project funding, thus dividing and pitting women against each other right across this country.

I must say I am proud in the extreme of the women involved in these centres across the country. The Second Storey women's centre in my home province of Nova Scotia, in the riding of South Shore in Bridgewater, Nova Scotia was offered a cheque last Thursday. They have delayed its acceptance because they said they will not be used as a pawn, and compete with other women across this country for ever-decreasing funds.

There is a meeting this week with the Secretary of State when he will meet with representatives, as I understand it, of all the centres outside Quebec. That was not quite what the women were looking for. They wanted representatives from each of the affected centres. However, I suppose this meeting is better than nothing.

The problem is that we are not going to hear the answer that we need to hear, which is that core funding has been re-established.

In the 18 months since I have come to this Chamber, we have all heard and we all agree that there needs to be cut-backs in this country. No one disagrees that there is a need to reduce the deficit. But we are talking about $1.6 million. I must say that in my youth, growing up in Cape Breton and Halifax I never thought I could look at $1.6 million and say that it is peanuts, but in the grand scheme of things, it is not going to do a whole heck of a lot to help the government balance its budget. Yet it is going to do a whole lot of damage to a whole lot of women right across this country.

I know I have not much time, but I want to speak briefly about some of the things that I, in 20 years of working with women's groups like this, have seen in terms of what these centres do. These centres cover almost every possible crisis situation that affects women, much more so in rural Canada even than in the urban centres.

In the urban centres, although we are not terribly well off for support programs for women, there are places such as transition houses and emergency units of hospitals. There are doctors and legal aid centres and so on depending on what the problem is. There are universities which have certain programs. That is not enough and it does not cover it all but there is some recourse.

For the Canadian women living in rural areas, and I am thinking now particularly of Second Storey on the South Shore of Nova Scotia and the Antigonish Women's Centre, this is the only game in town. Women who are alienated and isolated do not know that they can get legal advice, medical advice, social work help or any kinds of help to pull them out of an untenable situation, whether it be an abusive situation physically, or a financial problem such as the inability to heat their homes or feed their children.

What they do know is that on the main street of the nearest town there is that place where women go, and they phone or drop in.

• (1815)

One of the groups I talked to yesterday told me that it had 400 phone calls last month and 200 drop in visits—600 women used one of those centres last month. With core funding gone those 600 women will have no place to turn. That 600 is multiplied by the 70-plus centres across this country that are in danger of closing down. The women of Canada do not deserve this. They deserve all the help they can get.

Why does the government not make it easier on itself and turn around and say: "We made a mistake. You can have your core funding back. We realize and we know how important women centres are to the full development of women in our society, to the search for gender equality"?

It is not a big request, but it will help so many women who are in situations where from their perspective there is no help or no way out. These are women who wake up in the morning and cannot see any future for themselves and for their children.

Some people might accuse me of overdramatizing. I assure you, Mr. Speaker, that the women who came to see me in my office today, and those who saw the Minister responsible for the Status of Women and the Secretary of State, will be able to assure you that this is not excessive. It is the truth. We need an answer, and we need it now.

Mrs. Pauline Browes (Parliamentary Secretary to Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, in response to the hon. member's concerns conveyed on April 6, I can only reiterate that the Secretary of State expressed his commitment that day to the advancement of Canadian women and to organizations representing their interests.

Ours is a sensitivity balanced with the realization that all sectors in our society share a responsibility with us to put a sizeable dent into the crippling national debt which has become the legacy of our inheritance. We admit that we are asking a lot from Canadians. This is not a popularity contest, but a contest with time. The longer we wait, the less you and I will pay, Mr. Speaker, but it is our children and their children to come who will be stuck with our bills. We want to grant our children the financial security that the hon. member talked about.

It would actually be easiest to shield Canadians from the truth about the deficit. This government, however, does not subscribe to any blind eye school of accounting.

Our budget will reduce the deficit to $23.5 billion next year and cut it in half to $14 billion in three more years. We are bringing Canadians ever closer to the goal of cutting the deficit in half by 1993–94.

We are building an economy which will allow Canada to have the social programs and the opportunities needed truly to ensure equality for women, an equality backed with funding in the bank, not on credit.

The budget measures are not an abandonment of this government's promise to promote equality and justice for women. This government's record since 1984 is one of commitment to women. Funding reductions to the women's program of the Secretary of State do not break the promise to work for equality and justice for women. The women's program will still support more than 550 groups in this fiscal year.

The hon. member was quite correct in stating last week that the minister told us that women's groups now receive project funding. She even cited a women's centre, as she did tonight, in Nova Scotia that had just been granted $46,000 of project grants. If our colleagues on the other side do not listen to us, well maybe they will listen to the member for Halifax.

Let it be stated emphatically, and once again, that the women's program will continue to assist women's groups in Canada. Money is available for project funding for groups undertaking activities that meet the mandate of the program. An organization's overhead costs that are related to project activities can also be funded.

Clearly the Secretary of State will help the centres continue their activities and will be as flexible and as generous as possible in applying funding guidelines and eligibility to criteria.

• (1820)

During the four years that preceded our mandate the previous government spent $12 million on programs to assist women.

In 1984 this government decided that women's programs needed generous funding. Since that time we have more than quadrupled the amount to $56 million in the women's program support. We have added relevance to our partnership with women's organizations from coast to coast, and our partnership remains in place.

[*Translation*]

THE ENVIRONMENT

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I rise today to ask the Minister of the Environment or his parliamentary secretary more questions about the famous Green Plan which was released a few weeks ago.

At that time, when I asked questions in the House, I even accused the government of talking a lot but doing little about environmental protection. I maintain the same accusation today because several weeks have passed since I last spoke in the House and I learned that not only does the 29-page Green Plan of fairly vague questions contain no financial commitment of the government, but in the last two weeks I also learned that many environmental groups have criticized the government very severely for its inaction.

I am particularly affected by the government's inaction since I personally was evacuated from Saint-Basile-le-Grand because of the PCB fire that night in August 1988. It was a real disaster and in the weeks that followed, many people lost a lot of money. They were very anxious, but during that time, the government, through the Department of Transport, the Department of the Environment and even the Prime Minister, assured them that the government would look after Saint-Basile-le-Grand, would solve the PCB problem throughout Canada and really deal with environmental problems, if they were trusted and given a second mandate. That was in 1988.

Mr. Speaker, we in Quebec had a singer called Félix Leclerc. He is dead now, but one of his songs goes like this: "Before the election, the candidate called me son, but after the election, he did not even know my name." Quebecers and, I think, Canadians rather have the feeling that after campaigning for the 1988 election on an environmental platform, this government has forgotten its promises. That is the reason why, when I directed my question concerning the environment to the Prime Minister a few weeks ago, I blamed the government for being all talk and no action.

At the national level, several environmental protection agencies have blamed the government for its lack of action, but in my Chambly riding the Richelieu River is completely polluted. As I said we are still waiting for the Federal Government to show leadership with this matter of PCBs by perhaps working in conjunction together with the Provincial Government to rid Quebec of various toxic wastes.

• (1825)

I wish to emphasize a point which is very important these days in connection with the Meech Lake Accord and other constitutional issues. Quebecers want to have proof that federalism is a cost effective political system within which the Federal and Provincial Governments can work together to solve serious problems. So far, Mr. Speaker, there has been no evidence of it and this is a two year old situation.

Finally, I should like to tell you a little story. I have been here now for eight weeks as the member for Chambly I can tell you that I campaigned for two years in an effort to get elected to the House of Commons and one of the points I always tried to make was that the Government was not doing enough for the Chambly environment. Goodness gracious, I received a great many visits from all sorts of ministers, including some Environment Ministers, the Prime Minister himself twice, and various Provincial Premiers. All the Federal Ministers told me to trust them for a few more weeks, because the Minister of Environment was going to reveal a great plan to deal with our problems. Yes, you guessed right! Mr. Speaker, the Minister came out not so much with a Green Plan as with an Empty Plan. That is the reason why today I say again to the Government that as far as the environment is concerned, it is all talk and no action.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): First of all, I wish to congragulate the Hon. Member for his by-election victory in the Chambly riding.

[*English*]

I would also like to welcome the hon. member to the House. This is the first opportunity I have had to do that and to say that I welcome his interest in environmental issues. I look forward to his participation in questions and debates during upcoming months and years.

The hon. member has made reference to the record of the government. I would like to make one or two points in return. Since the government was elected in 1984 there have been a number of very noteworthy achievements. Time does not permit me to be very extensive, but I would refer to two or three.

I would refer to the acid rain agreement by which the federal government and the seven most easterly provinces have agreed to reduce sulphur dioxide emissions by 50 per cent from 1980 levels by 1994. I am pleased that indeed we have made good progress in that regard.

I also look forward to the signing of an accord with the United States again with respect to acid rain abatement because I know that is vitally important to all of Canada, and I would suspect that it is of particular importance to the hon. member's constituency.

I would also make reference to the signing of the Montreal Protocol on the ozone layer. I think most of us in this House are very conscious of the fact that emissions of CFCs have proved to be extremely detrimental. The existence of the hole in Antarctica is well known. It is perhaps less well known that even if we take the kind of very substantial measures that are planned, that is the virtual reduction of CFC emissions by the year 2000, CFC residues in the atmosphere will continue to be a threat to mankind for the next 100 years. That is exceedingly chilling and only demonstrates how vital it is for Canada and all of the international communities to work together in furthering the achievement of that objective.

I also refer to the passage of the CEPA legislation in 1988 before the hon. member came to the House. I think

that he would agree, however, that that legislation has broken new ground in Canada. It is the most definitive piece of legislation that we have had in place. I believe it will prove to be quite effective in the time hereafter.

With respect to *The Green Plan* I would suggest that what is most important about it is not whether it was issued last month, two months ago, three months ago or whatever it may have been. What is most important is the fact that there is now in place a very substantial process for consultation with the provinces, because they have a vital role to play in protecting the environment; with industry, because we are going to need its co-operation if we are going to achieve our objectives; and with special interest groups and the public at large.

I look forward to being a part of that process during the course of the next three or four months. I would hope that the hon. member for Chambly is also a part of the process, because with his enthusiasm and his own special interest in the environment I think he has a real contribution to make.

The hon. member referred to St-Basile-le-Grand. I would like to remind him that the federal government has agreed to be a part of the solution. We have agreed to pick up our share of the costs, but what we have not yet received from the province of Quebec is any final declaration on its part as to what the final bill may be. That is what we are waiting for. When that bill arrives there is indeed a formula by which the federal government will participate in the cost sharing. I know that will be good news for his constituents and for all citizens within Canada.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.31 p.m.

HOUSE OF COMMONS

Wednesday, April 11, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CANADA POST

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, the people from Brantville, 780 strong, are opposed to the fusion of the post offices of Brantville and Tabusintac.

The community of Brantville is francophone and wants to maintain postal service in French. Brantville has always had its own post office and rural postal service. Brantville citizens are not second class citizens. Brantville citizens do not want to be annexed to another community. Since 1970, Brantville has progressed and wants to continue in that direction. A good postal service is essential to that end. This is the message from the people of Brantville.

When I see such unilateral decisions without any kind of consultation, I wonder why it is that those of us who do not know the communities or circumstances always want to fix that which is already working.

I ask the minister, Sir, to put a stop to this nonsense that is going on in Canada Post.

* * *

MULTICULTURALISM

Mr. Al Johnson (Calgary North): Mr. Speaker, as we look forward to the traditional break in the proceedings of the House, I hope all Canadians will reflect on the universal message of hope and peace that so many religions and cultures focus on at this time of the year.

It is important for us in our multicultural tradition to recognize that this is not only the season when some of us who are Christian celebrate the resurrection and hope of Easter, but it is also the time when our Jewish friends celebrate the hope and freedom from persecution that is represented by the Passover.

Similarly, on Friday the Sikh community will be celebrating Baisakhi. We join with them as they share their traditions of individual equality, community sharing, and peace.

Our Moslem friends will soon be celebrating the end of Ramadan.

Whatever our religious or cultural tradition, this is certainly a time for new beginnings. I encourage all Canadians to share with each other the new hope and aspirations that they derive from their own cultural and religious backgrounds.

* * *

THE ENVIRONMENT

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, recently the Vancouver harbour witnessed a collision between a bulk grain carrier and a fishing trawler that led to a 40,000 litre diesel fuel spill, the largest oil spill in some 17 years.

Hundreds of marine animals, including ducks, were killed by this spill. Many more were saved, thanks only to the dedicated volunteers from the Wildlife Rescue Association and members of the Environment Youth Corps.

This accident demonstrates clearly that we must implement a ban on tanker traffic in the inlet, such as the 105,000 dead weight tonne tanker that recently loaded crude oil at the Westridge Terminal in Burnaby, until there has been a full environmental impact assessment of the risks involved from tanker traffic in Burrard Inlet.

I join with Burnaby and Vancouver Councils in calling for this long overdue environmental risk assessment before we have an even bigger oil spill that could destroy our fishery, wildlife and have a devastating impact on the B.C. environment. We must act before it is too late.

S. O. 31

TEXTILE INDUSTRY

Mr. Bruce Halliday (Oxford): Mr. Speaker, I rise to advise the House of Commons of the sudden loss of 600 textile jobs in the city of Woodstock as a result of the closure announced yesterday of the two Harvey Woods plants which have been that city's largest employer for many years.

Due to problems unrelated to either local plant management or free trade with the United States, TAG Apparel Groups Incorporated of Mississauga went into receivership on February 28. We understand that the receiver has not seen fit to accept any offers which will allow the local plants to continue in operation.

While we acknowledge that the over-all economy of southwestern Ontario is not suffering, an island of unemployment of significant degree has developed, causing untold hardships and anxiety for countless workers and their families.

We look forward to any assistance that may be forthcoming from the federal Department of Employment and Immigration through its local Canada Manpower office, using appropriate components of the Canadian Jobs Strategy.

At the same time, however, we call upon the government to recognize islands of acute hardship by offering financial help to local small businesses, textile or otherwise, that might be able to expand and absorb many of the recently laid-off workers.

* * *

[*Translation*]

TRANSPORTATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the Royal Commission on Passenger Transport in Canada announced that it would hold public hearings.

Yesterday I wrote to the chairman of the commission, Louis Hyndman, as follows: "Allow me to tell you that I find it inequitable, discriminatory and unfair that the commission will not go to the remote areas of Quebec, such as ours, and I feel that the commission has excluded northern Quebec."

However, I would like to tell you that the way rail transport in the Abitibi, with National Transportation Agency Decision No. 45-R-1990; passenger transport by Via from Montreal to Senneterre and La Sarre; air transport, with the departure of Air Canada; highway transport, with the Trans-Canada 117 North; and marine transport on the coast of Hudson Bay and Ungava Bay is handled is instructive and says a lot about passenger transport in Canada.

The people of Abitibi—Témiscamingue cannot legislate their geography, but they have serious reasons, based on their past and present experience, to want to live decently in the future and to be able to attend hearings where they live.

Mr. Speaker, is it possible this commission is afraid to come to Abitibi and hear from northerners?

* * *

• (1410)

[*English*]

NORTHWEST TERRITORIES

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, it is with great honour that I make the following statement.

History was made in the Legislative Assembly of the Northwest Territories last week. The N.W.T's six aboriginal languages have been recognized as official languages in the Northwest Territories.

Chipewyan, Cree, Dogrib, Gwich'in, Inuktitut and Slavey, as well as English and French, now have official status in the N.W.T.

The new N.W.T. Official Languages Act recognizes the presence of aboriginal peoples, centred in the N.W.T., but also present elsewhere in Canada, as a fundamental characteristic of Canada.

It also states that the existence of aboriginal peoples, speaking aboriginal languages, makes the N.W.T. a distinct society within Canada.

By recognizing the languages of its first peoples, the N.W.T. has provided important national leadership for all of Canada.

When we accommodate our differences with respect and goodwill, we contribute to the building of a nation which truly reflects its constituent peoples; a nation which is strong and secure in its diversity and confident about its future.

LABOUR FORCE DEVELOPMENT STRATEGY

Mr. Doug Fee (Red Deer): Mr. Speaker, a year ago today the Minister of Employment and Immigration tabled a Labour Force Development Strategy, the government's plan to ensure that Canadians have the best labour market adjustment programs in the world.

Building on the success of the Canadian Jobs Strategy, the Labour Force Development Strategy promotes a thoroughly national effort to improve Canadians' skills and a means by which their full potential can be realized.

Although essential to our future, this strategy will not just happen. It cannot be without the passage of Bill C-21. Without Bill C-21 the strategy is an idle thing. With Bill C-21, it is a rational plan for the 1990s, an essential part of our future prosperity.

I urge all members of the House and those in the other place to support the passage of Bill C-21.

* * *

EASTERN EUROPE

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the success of the recent elections in eastern Europe have shown that even those who have never been exposed to participatory democracy are still eager to exercise their aspirations and dreams in a peaceful and open way. The democratic movement, which began in Poland and Hungary and which has spread throughout Eastern Europe, will soon be joined by people in the Republic of Croatia.

On April 22 and 23, Croatians will be going to the polls to participate in their first multi-party elections in over 40 years. These elections will allow the more than 20 new political organizations, representing a wide variety of political expression, to compete directly with the Communist party.

It is important that western enthusiasm and support for political change in eastern Europe be also extended to the struggle of the many communities and peoples in Yugoslavia to throw off the chains of oppression and become full partners in the democratic political process.

I am confident that all members of the House will join me in welcoming these changes in the Croation Parliament and wish them a peaceful and successful transition from a one-party state into a multi-party democracy.

* * *

NATIONAL CITIZENSHIP WEEK

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, National Citizenship Week will be celebrated everywhere in Canada during the week of April 15 to April 21.

It is a wonderful opportunity for every Canadian in this country, young and less young, whether we live in the Atlantic provinces, central Canada, the great north or the western provinces, and whether we come from aboriginal, French, English, other new Canadian ancestry or combinations of such, to examine this great gift which has been given to us: our country Canada and our Canadian citizenship.

This is an appropriate time for each of us to stand up and to oppose vigorously all forms of racism and bigotry, and all statements and actions which denigrate any fellow Canadian.

During the last few months T-shirts, pins, calendars and reward posters with inappropriate and insensitive slogans, quite apart from linguistic statements and activities showing intolerance, in both Quebec and in other parts of Canada have contributed significantly to the weakening of the Canadian fabric, including our qualities of generosity and tolerance.

Let us stand up for Canada for what it has become as a country and what it can be: a leader among nations.

[*Translation*]

Let us all be proud of our country and work together to make it a symbol of tolerance and generosity.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL UNITY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I wish to ask the Prime Minister a question.

At a time when the country is experiencing great tension and division, I think it is the role and duty of all members of the government without exception to make statements encouraging dialogue and understanding among all Canadians in all regions. Therefore I ask the

Prime Minister to take the opportunity to explain the controversial statement made by his environment minister last Friday to the effect that Canada will have to choose between Newfoundland and Quebec. Can the Prime Minister explain this to us?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition talked about those who make statements encouraging dialogue and tolerance in Canada. Quite obviously, he is not talking about the completely unacceptable statement made by his member from Humber—St. Barbe—Baie Verte who yesterday caused an unacceptable situation by insulting and offending a member of this government and this House. But, knowing the parliamentary spirit of my friend from Newfoundland, I am told that he quickly retracted that disgraceful comment about a member of this House.

As for the comments made by the Minister of the Environment, this is the second or third time that the Leader of the Opposition has come with the same question. I told him the other day that the minister had indeed said that, but that he also said something else which, taken in context, could only lead a reasonable person to conclude that the Minister of the Environment favours national unity and the inclusion in this country of all provinces, be it Quebec or Newfoundland and Labrador. I find it deplorable under such circumstances that, despite my specific answers to the Leader of the Opposition, he persists in raising this question so as to spread misunderstanding here in the House and throughout Canada.

Some Hon. Members: Oh, oh!

Mr. Mulroney: And I would ask the Leader of the Opposition to stop acting like an agent of disunity, because that is not like him. I would ask him to stop making such statements that are offensive, inaccurate and insulting to all members of this House.

• (1420)

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I deplore the tone of the Prime Minister. I gave him an opportunity to speak for a united Canada.

Some Hon. Members: Hear, hear.

Mr. Gray (Windsor West): I gave him an opportunity to speak for a united Canada and he missed it. His answer to me was crass politics, and I would suggest I speak on behalf of all Canadians when I say that we must deplore the tone and gist of his response today.

[*English*]

On November 23, 1984 the Office of the Prime Minister sent a letter to all ministers and deputy ministers which said in part:

> —Ministers, not only individually but collectively as Cabinet, will continue to be the primary spokespersons for the Government of Canada.

On Monday when I asked the Prime Minister about the statement of the Minister of the Environment that "we can now imagine a scenario where English Canada will have to choose between Quebec and Newfoundland", he replied to me in part by saying: "The Minister of the Environment also said nobody thinks Newfoundland should leave Confederation".

I ask the Prime Minister exactly what did the Minister of the Environment mean, speaking for himself and I presume for the government when he used the words: "We can now imagine a scenario where English Canada will have to choose between Quebec and Newfoundland".

I invite the Prime Minister, in a spirit of unity and reconciliation, to explain those words.

[*Translation*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the Leader of the Opposition urges me to speak for a united Canada. The Meech Lake Accord proposes a united Canada, at last. Will all Liberals support the Meech Lake Accord?

Some Hon. Members: Hear, hear.

Mr. Gauthier: Yes!

Mr. Mulroney: The hon. member for Ottawa—Vanier says yes, and I believe him because he has been a faithful supporter in all votes in favour of the Meech Lake Accord. He knows very well that, when the people of Quebec heard the promise of the Prime Minister of Canada in 1980, they knew a no vote meant renewed federalism. The hon. member for Ottawa—Vanier understood, as did all Quebecers, that it meant a Constitution including Quebec, not with Quebec on the sideline.

Some Hon. Members: Hear, hear.

Mr. Mulroney: Mr. Speaker, it is therefore comforting to see in the House of Commons French- and English-speaking Canadians of various origins who are here because they are Canadians, who come from different regions and who represent different provinces. But they are here in the House because they are all Canadians. I think it is unacceptable that the Leader of the Opposition should be making distinctions pertaining to the integrity of citizenship. We are all Canadians, all proud to be Canadians, and the Leader of the Opposition ought to refrain from spreading discord over major national issues.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Prime Minister would know that, both inside and outside the House, I have always advocated a united country where we are all Canadians.

Some Hon. Members: Hear, hear.

Mr. Gray (Windsor West): This is why we supported the Prime Minister's own suggestion to strike a special committee to study the companions resolution of New Brunswick Premier McKenna. I am asking the Prime Minister why he is not prepared to say, in his name and on behalf of all his Cabinet colleagues, the same thing that the New Brunswick Premier said, that as far as he is concerned it is not a matter of choice between Quebec and Newfoundland and that he is prepared to choose Canada. Why can the Prime Minister not give the same answer here?

[*English*]

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, surely the Leader of the Opposition is not suggesting that he has the slightest doubt in his mind as to whether I and all my colleagues stand for a united Canada. Surely there can be no doubt in his mind about that.

Given what my hon. friend has mentioned, it is true that in 1980 when the question was put to Quebecers: "Do you support federalism, or do you support sovereignty association", almost 50 per cent of the French speaking voters of the province of Quebec voted on the yes side. They voted for sovereignty association. They lost in that referendum. The option was either to let them be on the outside forever as losers or to try to bring the population that had voted yes, namely voted against Canada, back into a generous and open-hearted Canadian family.

After the 1981-82 experience, the members and the leaders of all parties began the Meech Lake Accord. It is true that there are members who sit on this front bench who supported the yes side in the referendum, and I am proud to have them here as members of the Government of Canada.

Some Hon. Members: Hear, hear!

Mr. Mulroney: What they did in 1984 and what they did in 1988 was to say: "While we did vote yes for sovereignty association, we believe that circumstances have changed and there is now a chance for a new and a better Canada. It is true that we French Canadians who voted against Canada want to be part of a new Canada".

That is why all members of this House virtually without exception supported the Meech Lake Accord, because it brought Canadians together and it made that 40 per cent of the vote, but 50 per cent of French speaking Quebecers, feel first-class citizens of Canada.

That is why the Meech Lake Accord was such an important national statement of unity. That is why it was so important that it was supported by all three major political parties. That is why I know that my hon. friend will salute the presence in this party and perhaps in others of people who may have voted in a different way, in different circumstances, but today are doing their very best to build a brand new Canada in which they can feel first-class citizens so that we can get on with building another kind of Canada into the next century.

Some Hon. Members: Hear, hear!

* * *

GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, all Canadians are looking for the Prime Minister's assurance that no matter where they are from in Canada they are also first-class Canadians.

My question is for the acting Minister of Finance. The government has cut off debate on the goods and services tax. It has embarked on a propaganda campaign trying to sell the goods and services tax to Canadians when it has not been fully passed by Parliament.

I would like to know whether the acting Minister of Finance will admit to Canadians that the only reason they are trying to ram through this goods and services tax

in the way they are by January 1991 is because they think Canadians might be stupid enough to forget about it in time for the next election.

• (1430)

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member will know that not only the Auditor General, but the precedent-setting examples in this House, as well as an all-party resolution of the finance committee of this House of Commons, quite categorically concluded in a signed statement that any matters relating to the GST should "publicize the details of the new tax".

What we are doing is following normal procedures. We are making certain that Canadians are prepared in advance of the change from the regressive federal sales tax to the fairer GST. We are progressing along those lines for the benefit of Canadians, particularly the small business sector that has to prepare now for the transition from a bad tax to a much better tax.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, my supplementary is to the same minister.

An inappropriate GST ad campaign cost Canadians $800,000 in 1989. Today, just 24 hours after the third reading of the GST bill, a new multi-million dollar propaganda blitz has commenced. This blitz circumvents the parliamentary process by prejudging the scope and implementation of the GST.

Some Hon. Members: Question.

Mr. Pickard: Will the minister tell this House and Canadians that the government truly respects the parliamentary process by withdrawing this brainwash campaign and allowing the Senate to fulfil its parliamentary obligations?

Some Hon. Members: Oh, oh!

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I notice that the member read the story in *The Ottawa Citizen* today written by Deborah Dowling. I told Miss Dowling this morning that there is really nothing new in the story that she printed because in the finance committee of March 13 I pointed out to the all-party committee that in mid-April a pre-registration kit containing an information booklet and a volunteer pre-registration form will be mailed to some 2 million potential registrants explaining how to pre-register for the GST and what assistance can be provided in preparation for the new tax.

I went on to say: "The sooner one registers the sooner one can prepare for the transition".

That is what we are doing and that is what I told the committee on March 13. We are doing it so that businesses can prepare in advance, as has been a tradition of the parliamentary system in this country and in other parliamentary systems, and as the Auditor General has pointed out time and time again. We must advise Canadians, particularly the business community, in a responsible way how best to adjust to this better tax.

* * *

THE ENVIRONMENT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Right Hon. Prime Minister.

Yesterday in Toronto we were told the Prime Minister and the President of the United States discussed talks about talks on an acid rain proposal. On the same day the International Joint Commission issued its report on the future of the Great Lakes, a report that was extremely critical of the lack of action by successive Canadian governments. We know that Canadians want action on the environment, not just more talk.

Will the Prime Minister accept the recommendations of the International Joint Commission to stop the flow of all toxic substances into the Great Lakes, and act now on that recommendation?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, we agree with the concern expressed in the report addressed to both countries. As a matter of fact both countries are moving ahead together to address the issues raised in the report. For example, we have just announced in Canada a $125 million additional plan for the Great Lakes, providing for 42 remedial action plans, 17 of them in Canada.

We have also set up the basis of what will be *The Green Plan* in terms of regulating all industries discharging toxics into the Great Lakes. We have also set up a priority list of substances under CEPA, according to which we will assess, in priority, the toxicity of the main toxic substances discharged in the Great Lakes. We are doing what we can, which is a lot, but never enough, and

that is why *The Green Plan* will complete the work we are doing.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is directed to the Minister of the Environment. The Great Lakes Water Quality Agreement which the minister knows was signed, the Canadian Environmental Protection Act, the Fisheries Act and the recommendations of the international joint commission since 1972 have all raised the issue of the Great Lakes and whether there is really going to be a future for the Great Lakes. The minister in his discussion paper on the environment says we need more discussion.

Why more discussion, I ask the minister? We need some action. The International Joint Commission has made clear recommendations, and has said that the government has not acted in face of the evidence. What commitment does the minister give to act on the Great Lakes pollution now? He knows that $25 million a year will not be sufficient. What plan does he have for the Great Lakes?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, two years ago this government strengthened the Great Lakes Water Quality Agreement providing for all the new measures I just mentioned. *The Green Plan*, the consultation document, proposes to build up the basis of the regulation process whereby we will regulate major industries such as metal mines and smelters, power-generating plants, hazardous waste facilities, textile factories, petroleum refineries, chemical pollution plants and steel plants. We will enact national standards under CEPA. This is very ambitious, very tough and I would like the Opposition to support us when the time comes to enact those measures.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my last question is directed also to the Minister of the Environment. Now that negotiations have started again with the Americans on acid rain, it is finally possible to believe that progress will be made. Is the Government going at last to face up to its responsibilities? Will the Government make the funds available to implement an action plan concerning acid rain? Funds must be

[*English*]

—available for implementing a program on acid rain. Is the government prepared to do this now?

[*Translation*]

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, we all know that one of the main reasons the United States has finally decided to adopt those measures and which are now before the U.S. Congress is that Canada showed leadership and set up a program aimed at reducing its own emissions by 50 per cent. We are all aware that at least $500 million have been spent on that program. I suggest we should be proud of our efforts. We must now make sure that in the other three provinces which are not involved in the reduction plan, we can control the emissions and implement an action plan to complete this whole effort. But we have achieved the essential, because we know, on the basis of scientific reports, that with the measures already implemented and which will be completed by 1994, 14,000 Canadian lakes which had died because of sulfur oxyde will live again. As Easter Sunday is approaching, I think we should be satisfied and congragulate one another for the progress already made concerning acid rain.

[*English*]

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Minister of the Environment knows very well that under the Canadian Environmental Protection Act only 44 chemicals out of 30,000 are to be dealt with. The Minister of the Environment also knows that while $125 million may sound like a large sum here, it is inadequate to deal with the problem.

Since the Commission raised a very crucial question yesterday with regard to the health of millions of Canadians and Americans, what are the new measures that the minister intends to put into place to deal with this emergency?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I am pleased that the hon. member has mentioned the 44 substances priority list. It is important to put this into perspective because the figures can be distorted if they are not put into perspective. It means, in reality, that there is a regrouping of hundreds and hundreds of substances within those 44 priority substances. Those substances happen to be the main ones, the most toxic and dangerous ones. It means that when

the process of assessment is over we will be in a position to enact a whole set of new regulations to control those very important sources of pollution.

• (1440)

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Minister of the Environment is wrong in thinking that by controlling 44 chemicals he can deal with the problem outlined by the International Joint Commission.

The commission states that there is a threat to the health of our children emanating from our exposure to persistent toxic substances, even at a very low ambient level. Therefore, we want to know what are the immediate steps that the minister has in mind in order to cope with this emergency.

Hon. Lucien Bouchard (Minister of the Environment): The commission's report makes two main points. First, it mentions that we have made progress, mainly with regard to the sewage treatment facilities and the elimination of DDT and high profile chemicals like PCBs.

The hon. member rightly states that we need to know much more in terms of research and regulations. All this will be addressed in *The Green Plan*, because the main part of *The Green Plan* will be devoted to science and technology. Then we will be able to address the issue raised by the report.

Second, as far as regulations are concerned, *The Green Plan* is proposing a whole set of regulations. I think that we have whatever we need to address those main issues.

* * *

INTEREST RATES

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, my question is directed to the Minister of State (Finance).

Once again the Governor of the Bank of Canada hits hard the average Canadian and small business by increasing interest rates. Will the government stop this policy of high interest rates, and help small business progress instead of helping small business to go bankrupt?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I believe the hon. member knows full well that there are various ways of lowering the interest rates.

Mr. Fontana: Try one.

Mr. Loiselle: We could do it by pressing a button to bring them down. We would see them go up again. There are, within our economy, very strong inflationary pressures. There is great danger that if our policies are not handled properly, we could end up in a situation which the Liberals should know very well, because they put us in that particular situation in the early 1980s.

We are in a difficult situation. We are dealing with both fiscally and economically. We will continue to do that until such time as the pressures diminish and we can bring down interest rates in a way that they will stay down.

[*Translation*]

M. Alfonso Gagliano (Saint–Léonard): I have a supplementary, Mr. Speaker. Perhaps the Minister should listen to the *Conseil du Patronat du Québec* which is precisely recommending that the interest rates be immediately lowered. In the last Budget, the Minister of Finance forecasted a rate of 11.1 per cent for 1990. Since each time the interest rate increases by one point the deficit increases by $1.7 billion, why does the government persist in increasing the deficit and the national debt? Would it not be better to lower the interest rate so as to reduce the deficit and the national debt?

Hon. Gilles Loiselle (Minister of State (Finance)): Of course it would, Mr. Speaker. The hon. member came close to giving away the answer in his question. It is obvious that we do not like high interest rates any more than he does and that we are monitoring that situation closely because we want to act responsibly. We have also done that in our Budget by cutting our expenditures so that the fiscal policy could make some capital available. But for the time being, for a little longer than what was initially planned, there are still pressures on the economy. Canadians have kept buying more than we had expected. So, we have to keep trying to contain those pressures because a reduction in the interests rates may be desirable, but it must be brought about in a responsible manner. There are not fifty ways to go about it and

there is no easy way. We fully support the policy according to which interest rates should be reduced in a responsible manner and for good.

* * *

[*English*]

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, yesterday the Government of British Columbia announced plans to log the upper half of the Carmanah Valley.

As the Minister of the Environment knows, the all-party Standing Committee on Environment unanimously calls for the accurate and complete inventory of old growth forests on Vancouver Island, including Carmanah, and that is a legal responsibility of the federal government.

Since permanent publicly supportable decisions can only be made when the facts are put on the table, and since the B.C. government has purposely withheld the real facts on both inventory and the impact of logging in Carmanah, will the minister arrange for the completion of such an inventory and a complete impact assessment so that Carmanah and other Vancouver Island watersheds can be protected?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, as my hon. friend has noted, the decision calls first for the establishment of a park to protect the giant trees in the upper part of the valley. For this we are pleased, of course, but it also mentions that there could be logging in the other part of the valley.

The decision says that this will be done provided studies are conducted to authorize the logging. We are concerned with the other part of the decision. We should be vigilant to make sure the conclusion of the studies justifies the logging of trees. If it is not possible to log any trees there without endangering the other part of the park, then we must be very vigilant.

In terms of assessment, I have asked my department to look into the possibility of being involved. I am waiting for a report to know what the federal jurisdiction is.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is also to the Minister of the Environment. He is aware that the Government of British Columbia has admitted that the necessary studies to determine whether or not logging in the upper half of the valley would have a negative consequence on the giant spruce at the bottom of the valley have simply not been done.

During this past 18 months, while Canadians have waited for the announcement of a decision on the Carmanah Valley, the studies have not been done. I think it is clear that Canadians expect proper environmental impact studies to be done before, not after projects.

Would the minister, who has spoken positively about the Carmanah in British Columbia and elsewhere in Canada, take this opportunity to lay to rest the issue of conflict in British Columbia and announce that the necessary studies will be done now, not once logging begins?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, the federal government has offered to the B.C. government to participate in the cost and operation of the study for that part of the valley. We have not received a positive answer as yet.

That is why I have asked my department to look into what the federal jurisdiction is to determine if we have ways to step in and participate in the process. When I have an answer, I will be able to report to the House.

* * *

COMPETITION BUREAU

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is to the Prime Minister. Yesterday we learned that the Quebec Superior Court ruled that the Competition Bureau was unconstitutional. This has the potential of rendering the Competition Bureau completely impotent. When you add this to the questions that the Canadian consumers and the business community have regarding the whole competition process, this is a great concern.

Will the government be appealing this ruling? In the interim, will the government be implementing and abiding by the rulings already made by the Competition Tribunal on this matter? If not, there is going to be a tremendous amount of chaos in the competition area.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I appreciate the seriousness with which the hon. member has approached this question. On behalf of the minister, who is out of the House on government business, let me say that the government is taking this judgment very seriously, along with the Department of Justice. Departments are evaluating the implications as to what course of action will come from

that. Obviously the government will have to look at it at that time. It would not be appropriate for me to say anything further.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, with due respect to the Minister of Energy, mergers and applications are not going to stop. In fact, they could accelerate because of the chaos that now exists.

Are the rulings that the tribunal has already made going to be implemented and abided by? There are questions dealing with Texaco and Imperial for which we must have answers. Will further questions be referred to the tribunal, or is the director of the Competition Bureau going to be the final judge on these matters? Is the government not going to deal with any of these questions at all? The government should be prepared to tell us right now.

• (1450)

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I appreciate the hon. member's attempt to elicit an answer from me, but he will also understand that the reasons I gave him in my first answer stand. That is obviously now on the record. I am sure the appropriate ministers are going to look at the representations he has made and will report in due course.

* * *

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Last week, the Minister for International Trade told the House that he and the Minister of Fisheries and Oceans would be going to Brussels and Ireland for meetings dealing with the foreign overfishing off Newfoundland.

Can the minister tell us now if the meetings took place and with what results? In particular, did the ministers of trade and fisheries indicate to the European Economic Community that, if necessary, Canada would be prepared to follow the Harris recommendation and take unilateral action to see that the straggling fish stocks are properly protected?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the hon. member is correct. My colleagues, the Minister of Fisheries and Oceans and the Minister for International Trade, had very useful discussions both with the Irish ministers who are in the chair of the Community Council on Fisheries and with Mr. Marin who is the Commissioner for the European Community on fisheries matters.

It was helpful to their presentation that the Harris report had been published, because that added authority to the Canadian claims with regard to the problems of stocks.

Discussions are continuing, but I think it is fair to say that the discussions which occurred last week were among the most positive we have had with the Community and with its member nations. In the circumstances, we did not think it was wise for Canada to take actions which would appear to be actions of unilateral threat because we think we are making progress in the discussions. That has not yet been achieved, but I can report to the House that we had more effective meetings than have been the custom in dealings with the Community and we intend to have more regular meetings frequently.

I should also make the point that in addition to those meetings involving the ministers directly involved, the Prime Minister has been very actively involved in these questions, including having pressures brought to bear upon the leaders of the member countries of the Community.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I thank the minister and, while he is in such a forthcoming mood, maybe he could also indicate to us the answer to another question.

He will know that since last October, I and others have been raising the question of a fisheries aid package for plant workers and fishermen who are devastated by the current situation. He will know that during the last two weeks, his colleagues, the Minister for International Trade from St. John's West and the Minister of Fisheries and Oceans, have both been making the appropriate noises in the press that the announcement is imminent.

Can he tell us when the government is going to stop what amounts to a fairly cruel joke on the fishermen and plant workers who have been waiting much too long for this? Can he tell us if the package is ready or when it will be ready? Is it not true that it is sitting there just waiting for the return of the Minister for International Trade so he can get his picture in the paper and have his photo opportunity? Is that all that is hanging it up at the moment?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, what the Minister of Fisheries and Oceans and the Minister for International Trade have been doing is engaging in consultations with leaders of the fishing industry, the unions, and the provincial governments that are involved to ensure that when we bring forward a package, which we hope to do fairly shortly, it will not only be an effective federal response, but it will be a position that is able to take advantage of the real interests and the jurisdictions of provincial governments which are interested in the matter.

While I am in such a forthcoming mood, Mr. Speaker, perhaps in relation to a question that was put to me by the member for Gander—Grand Falls the other day, I could quote from a letter I received from Mr. Bill Berry, the president of a—

Some Hon. Members: Order.

Mr. Clark (Yellowhead): —fishing company in Newfoundland, who said: "Last night I caught your response on Soviet fishing—"

Some Hon. Members: Oh, oh!

Mr. Clark (Yellowhead): "—in Canadian waters in the House of Commons. We are a Newfoundland company doing large business with the East Bloc, especially the U.S.S.R. They are good business partners. I am—"

Mr. Speaker: Perhaps the Minister could send a copy of the letter across the aisle.

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AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the Minister of Agriculture who said the details of the $1 billion worth of direct farm aid to grain producers in Canada would be available before Easter. Since this is the last opportunity to inform the House, can the minister give details of the program so that farmers and bankers can know specifically how the payment will be made, what it will be based on, when the cheques can be received at the farm, and approximately what each farmer will receive?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as the hon. member knows the federal government announced its intention to provide assistance to meet the shortfall in income that has been experienced by farmers in the projected year 1990. We are engaged in discussions with the provinces at the present time. I personally met with the premier of the province of Saskatchewan. They are looking at some proposals. We have had discussions as well with the provinces of Ontario, Saskatchewan and Manitoba at the officials level. We consider this to be a very top priority.

I say to the hon. member from Nova Scotia, she will be pleased to know that meetings are either taking place today or tomorrow with respect to the fur industry on behalf of which she has made many representations, and I thank her for that. I can advise the hon. member that this is a top priority. We are working very hard on developing packages that will be adaptable to each of the respective provinces to meet that multi-dimensional need.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, since the purpose of this program is to offset programs being offered by the Americans and the Europeans, who make their support programs available through their central governments, why did this government decide to shift the focus on to the provinces instead of directly approaching the problem and providing assistance directly to farmers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, if the hon. member is suggesting that we should have provided $140 million such as the United States has provided in the current EEP program, the Export Enhancement Program, I would certainly take that as a representation. But we thought that the need was far more serious than that and we have offered up $500 million.

[*Translation*]

TRANSPORTATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Transport. Yesterday, the Royal Commission on Passenger Transport in Canada issued its schedule of hearings in Canada. To our surprise and dismay, people in the Abitibi, Témiscamingue and Northern Quebec areas have once more been ignored.

Can the minister confirm in this House that the Commission will review its position and hold hearings in those remote areas for the purpose of listening to the people in the Abitibi, Témiscamingue and Northern Quebec areas on transportation matters?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, royal commissions of inquiry operate at arm's length. The government does not give them instructions. I would suggest to the hon. member that he take this opportunity to make his views known to the commission directly.

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TREASURY BOARD

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I have a question for the President of the Treasury Board. A report issued this week by Statistics Canada shows that, while the government was laying off employees in important areas such as air safety, food inspection, energy conservation and environmental research, it was hiring an army of tax promoters and collectors. Why is this government downsizing important areas of the Public Service, while hiring thousands of tax collectors ready to pick the last cents from the pockets of Canadians?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, let me set the hon. member for Ottawa West straight. The statistics published by Statistics Canada include all public servants in agencies and departments throughout the government. This is also a statistical population where Statistics Canada uses spot sampling. Those statistics are quite different from those we collect on person-years, which are controlled by the government employer, namely the President of the Treasury Board. Person-years, which are under the direct control of the employer, have indeed come down, as announced by the Hon. Minister of Finance in his Budget. And all this without affecting in any way the safety and well-being of Canadians, Mr. Speaker.

• (1500)

[*English*]

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, if the minister does not like Statistics Canada's figures, perhaps he would do his own accounting to the Canadian public on the cost of contracting out new hirings and old hirings.

Will the minister admit that he has been conning Canadians, that he has slashed services and turned the lives of 25,000 public servants upside down with no gain to the taxpayers?

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HOUSE OF COMMONS

ROBERT VAIVE

Mr. Speaker: I wish to advise hon. members that today is the last day at the table for one of our newest Table Officers, Mr. Robert Vaive.

[*Translation*]

Mr. Vaive began his career in the House in 1976 as a procedural clerk and since 1987 he has been acting as Deputy Principal Clerk in the Committees Directorate and the Table Research Branch.

[*English*]

He was recently appointed Deputy Clerk of the Saskatchewan Legislature and will be leaving soon to take up his new duties.

I am sure the House will want to join with me in wishing you, sir, all the very best in Regina. Come back and see us whenever you can.

Some Hon. Members: Hear, hear!

Mr. Speaker: While I have the attention of the House, please join me for refreshments in Room 216-N after the House rises today to celebrate the adjournment.

I wish all of you a very happy and wonderful Easter holiday.

Some Hon. Members: Hear, hear!

Mr. Speaker: I have a notice of a question of privilege. I will hear the hon. member now.

PRIVILEGE

DISTURBANCE IN GALLERIES

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons) Mr. Speaker, I rise on a question of privilege because I believe a *prima facie* case of contempt of the House can be and must be made against the hon. member for Scarborough—Agincourt. If you so find, Mr. Speaker, I am prepared to move the necessary motion.

All members were subjected to a contempt yesterday, and I mean contempt as described in our authority, Maingot's *Parliamentary Privilege in Canada*, when two visitors to a gallery here, vouched for by a card signed to the Sergeant-at-Arms by the hon. member, disrupted proceedings and threw objects onto members in their places. I understand that has been confirmed by the Sergeant-at-Arms, as well as evidence from talking with other people that would confirm that as well.

I refer you, Sir, and remind all members that one of the 13 categories which Maingot sets out as "acts or conduct constituting breach of privilege or contempt" is stated very clearly at page 203 of the 1982 edition. He said:

> All kinds of misconduct in the presence of the House or of a committee may be treated as contempts on the ground that they partake of an affront to the dignity of the House.

Then he is more specific when he states:

> Misconduct or misbehaviour in the traditional sense would include acts that disrupt or have a tendency to disrupt or interrupt the House or committees by such acts as shouting, throwing objects, waving placards.

As I said, Sir, at least two of these three things happened here yesterday, done by, among others, guests signed for by the hon. member.

The question, which I think is one of natural justice, to ask next is one which, of course, only the member can answer: Did he have any knowledge that these guests intended to so behave, when he signed for them? I submit that the already broadcast testimony of one of them—which made it clear he did not come here from a distance to observe but, rather, to make a last desperate and disruptive display of opposition to what the House was doing—indicates the hon. member owes the House at least an explanation, then an apology and, as I ask for, an appearance at the Standing Committee on Privileges and Elections.

I conclude by asserting that the House cannot do its work, or maintain essential dignity, if what we call "strangers" disrupt proceedings in an abusive way. In such cases, there is both a *prima facie* breach of privilege and a *prima facie* contempt. In this case the responsibility must lie with the hon. member whom I have indicated.

If the House does not, or is not given the opportunity, to assert itself on this principle which has now been called into question, then we have all failed to take appropriate steps to assert and protect our privileges. I do not relish the future and the consequences in such an event.

This House would get disreputable treatment which it had deserved, which it had tolerated before and which it had authorized by its own inaction in the present case.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, we were all very upset yesterday. We all deplore incidents such as disorder in the House, with people throwing things to the floor of the House.

After the incident which took place in the opposition west gallery, I immediately asked the Clerk of the House and the Sergeant-at-Arms for a report on the incident as to how the people got into the gallery and who had authorized their entrance.

The Sergeant-at-Arms came to my office at about 5.30 p.m. and showed me the admission passes which were stamped with the name of the member of Scarborough—Agincourt, J. Karygiannis, MP.

As Whip, I proceeded then to call the member of this caucus and asked him, first, if he had knowledge that these people were in the gallery. He said yes. I asked then if he had been aware that they were going to demonstrate. He said no.

I take the man to be an honourable person and therefore I believe that he had no knowledge that these people were going to cause a disturbance.

If we are to send something to a committee we must have a *prima facie* case before us. We must have evidence that damage or disorder was planned. In this case I think it would be unfair at this time, given the member's statement to me, to send such a matter to a committee of this House for examination.

I also ask the House to give the member, whose reputation and possibly actions are being placed into doubt by some members of this House, a chance to defend himself in this House at an appropriate time. He is not here today.

Mr. Speaker, I would ask that you reserve on your judgment until the member has had a chance to explain to the House what happened that day. I think that would be a fair way to proceed.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to intervene briefly in this matter.

At the outset, I want to echo the words of the Opposition House Leader in saying that we all deplore what happened in the gallery yesterday. This House is not a place for that kind of activity. We regret that some of the other spectators in the gallery were perhaps not only inconvenienced but in danger during the course of those events.

I believe it is appropriate for us to wait until the member for Scarborough—Agincourt is in the House in order that he may rise in his place to offer his own defence to the suggestion or allegation that he knowingly permitted such an event to occur.

• (1510)

I would, however, suggest that there is a broader issue here. Members of both the government and the opposition have the privilege of having their guests seated in special galleries. The procedures of the House and the procedures of security allow us to have our guests escorted by security people. They need not go through the metal detector. They need not go through the screening that is required of those individuals who sit in the public galleries. We might wish to examine that as a part of a broader issue.

My final point, which may be considered as a separate intervention, is that members of the government, particularly those who sit opposite the New Democratic Party benches, by actions and words last night, although not recorded in *Hansard*, clearly impugned the motives of members of this side of the House. I am told by other members, in particular the member for Skeena, that members of the Conservative caucus approached him and suggested that he was responsible for that occurrence.

Mr. Speaker: I know the hon. member would accept the Chair's suggestion that if there is another issue, and there may well be, that it ought to be raised at another time.

However, we have a very specific difficulty in front of the House. I have listened very carefully to the hon. parliamentary secretary who has given us a statement of facts with which I think all hon. members are in agreement.

The hon. member for Ottawa—Vanier has put forward a qualification that the member who may or may not have been implicated in this matter is not here. At the suggestion of the hon. member for Ottawa—Vanier this matter should at least be adjourned until our colleague can come into the House. I noticed that that suggestion met with very marked approval on both sides of the House.

The hon. member for Thunder Bay—Atikokan raises some matters which I think are of very acute concern to this House and to the Speaker with respect to security. I think that that might well be looked into at some appropriate time, depending on how I may ultimately rule.

The hon. member is making another point. I know that the hon. member will go along with the Speaker in resting that point, at least for the moment. He may want to raise it as a separate point at another time.

The hon. House Leader for the government wishes to rise, and I would be most prepared to hear him.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would just like to say very quickly that I concur with the recommendation of the House leader of the Liberal party, the hon. member for Ottawa—Vanier, that in fact until the hon. member has an opportunity to make his statement in the House we should forgo any judgment as to evidence.

I would also underline as you did, Sir, in your comments, that this reminds us of security questions because what was paper could well have been something else by virtue of the fact that we as members have the privilege of bypassing the metal detectors and other security measures for the general public when we bring in or allow guests to come in under our passes. That is something that may well have to be re-examined in view of the circumstances.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I am concerned about the procedure of this matter in that the matter was raised perhaps without the member himself being forewarned or even asked about it before it was raised.

We have here a situation of procedure in which we are not asking about the member's behaviour but about the consequences of someone else's behaviour. We may, as a result of this procedure, be leaving an impression, perhaps over a number of hours, that the member had some knowledge of it, when it is a third person who has taken the action that we are talking about.

I am concerned about the procedure. Is it proper to raise this matter without having forewarned the member concerned that the matter was going to be raised and giving that member a chance to speak to it before it was raised? What we leave is an impression that the member knew about it. I think that procedure is threatening to every single member.

Mr. John Brewin (Victoria): Mr. Speaker, I would just like to raise a quick point.

The government House leader and the Whip for our party have both raised a concern about the metal detectors. I must say that I have some concern, which I know is shared by some of my colleagues in this corner of the House, at this matter being raised publicly in this way at this time.

Therefore it seems to me it is important that a decision be made quickly as to what is going to happen in response to it. The country now knows of our security arrangements here and the possible loopholes in it. I would urge the government and yourself, Sir, to deal with this matter promptly.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker I agree with the hon. member for Ottawa—Vanier. I think the hon. member for Esquimalt—Juan de Fuca has a very good point about a third party being involved.

With respect to the issue of security, I thought we had a Management and Members' Services Committee and a board of "eternal" economy. I still get irritated by the fact that I think both of those committees have more cobwebs around their ears than the House of Commons, in many ways.

Be that as it may, I do take exception—and I most likely stand alone on this business—to the mention of members taking their own guests quickly to the gallery and not going through the metal detectors. That is the way it happens. A member does not send a guest for whom he has signed who can avoid the metal detector. The member has to take him personally.

With all the rules that are coming down internally around this place, hon. members are becoming less honourable because they cannot take their constituents with whom they are physically into the gallery quickly when sometimes time is of the essence.

Quite frankly, as the one little perk left around this place, I would like the Board of Internal Economy or the Management and Members' Services Committee to look at this question, not because of the problem of getting around security in the absence of a member, but to make sure that when the member is with a guest that that member takes the guest to wherever he wants to go, thereby taking responsibility for the actions of that guest. That is the key.

This business of muddying the waters with security and/or metal detectors in the absence of members is really, with respect, a red herring. My God, if we are hon. members, surely we can look after our own guests in our own gallery, when they come to this place.

I would not want the knee-jerk reaction of the hon. member for Thunder Bay—Atikokan, who is obviously and quite properly worried about security, to start to muddy the waters about who I take into the gallery. The fact of the matter is, Mr. Speaker, and you used to be a member yourself—

Some Hon. Members: Oh, oh!

Mr. Nowlan —you get long line-ups—

An Hon. Member: What do you mean by "used to be"?

Mr. Nowlan: Now you are more than the first of equals.

If it applies to us, dear Sir, then you will have to take your guest from Room 16, where you have had your little lunch, and put them through the lie detector to come to sit in the Speaker's gallery, if you are going to do this thing holus-bolus.

Some Hon. Members: Lie detector?

Mr. Nowlan: So, beware, otherwise I will be raising another point of privilege.

Some Hon. Members: Hear, hear!

SPEAKER'S RULING

Mr. Speaker: I notice the hon. government House leader is suggesting I should look around for someone to speak on my behalf, but I will let it go for the moment.

I noticed that the Board of Internal Economy was referred to as the board of "eternal" economy. That is something for which some citizens would very much compliment us for.

The incident that happened is not amusing. I think that especially for the public watching this particular exchange it does little credit to anybody in this country to use whatever subterfuge they can to come into this place, which is symbolic of our democracies, our freedoms and our liberties, and abuse them.

The incident that happened, so far as the person involved in this incident is concerned, is of course absolutely inexcusable. It was not brave. It was cowardly and sneaky. It goes against everything we believe in.

Some Hon. Members: Hear, hear!

• (1520)

Mr. Speaker: The hon. member for Ottawa—Vanier has raised an absolutely legitimate point, and it was commented upon further by the hon. member for Esquimalt—Juan de Fuca.

With respect to procedure, the fact of the matter is that under our rules, if it is a question of privilege or contempt of the House, there is an obligation that it be raised at the first opportunity. The hon. parliamentary secretary has followed that. However, the hon. member for Ottawa—Vanier, who has been very frank with us all has made a suggestion, which has been especially confirmed now by the hon. House leader of the government, that this matter should be stood down until the hon. member whose passes apparently were used has a chance to speak to the Chamber.

I am very conscious of the fact that the hon. member for Ottawa—Vanier as House leader of the Official Opposition had contacted the hon. member. He has stood up in this House and said that the hon. member said that he did not know that this was going to happen. That is there in front of us, but I think it is appropriate that we invite our colleague to address us further in the matter.

Again, I say, because ultimately I am responsible for the security in this place, that I am deeply disturbed that this could happen.

I say to any other Canadians who think it is smart to pull a stunt like this, that while they break the law they abuse their privileges. If they are ever in trouble, they will be calling on all of us to protect them very rapidly.

DISTURBANCE IN GALLERIES

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, we have appreciated your words, as usual.

I am hesitant to raise a related matter first raised by my hon. friend from Thunder Bay—Atikokan, but I feel I must.

Yesterday, immediately following the incident, a number of members opposite, some of whom are here today, accused members of the New Democratic Party, as we were leaving, of having orchestrated this event. That occurred when I left the Chamber, and it apparently went on with others. Others brought to my attention this morning that as early as this morning they were being accosted, again, by a number of members from the government side who were accusing our party of being a party to this organized demonstration.

I do not raise this as a question of privilege. I do not even know if it is a point of order, quite frankly.

I tell you, Mr. Speaker, it was very offending to all of us to be accused of doing something that we feel so strongly about in a most negative way.

I do not know if it would be appropriate for the government House leader to say something at this time. I do not want to make a big issue out of this. It is not worthy of that.

But, as I say, our party members were certainly offended. We would just as soon drop the whole matter, but I would expect some comments.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would just like to say that I cannot comment on whether individual members may have accused individual members of the New Democratic Party of being party to this incident.

On behalf of my party let me say there is no such accusation. At the time we did not know what happened. In fact I met my colleague, the House leader of the Liberal Party, in the middle of the floor as he was approaching the Clerk to find out what was going on.

I might say this, and I do not want to start an argument, the hon. member will recall that during that vote his members all had placards in contravention of the privilege—

Mr. Blackburn (Brant): What do you mean by placards?

Mr. McDermid: Props.

Mr. Andre: If he reads the intervention of my friend, the member for Peace River, in terms of what constitutes disorder in the House, he will see that props and so on are mentioned in that.

It was not that big a deal. We did not raise a question of privilege on that or comment on it, but one can understand that in the heat of the moment on a very vital issue, when his members stood up with props, that invites the accusation that perhaps they were doing other things as well.

If it has offended, I say on behalf of my party, without qualification, we apologize if there were any intentions of blaming the hon. member for that demonstration.

Mr. Brewin: You're a total jerk, Andre.

Mr. Andre: I just ask him to understand what might have motivated some of our members to think that way.

Mr. Speaker: I think that properly ends the matter.

The hon. House leader of the government has made an absolutely clear statement that in no respect whatsoever is it the position of the government that the New Democratic Party was in any way involved in that altercation. I think that ends the matter.

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, today, Wednesday, April 11, the House will adjourn later this afternoon. I wonder whether the Government House Leader would be prepared to tell hon. members what the legislative program will be when we return on April 23 so that they can prepare for the debate on it.

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, it is my intention, when we return on Monday, April 23, to call Bill C-69, the expenditures reduction bill and to continue with that on Tuesday, April 24. I will be in discussions with my colleagues in terms of future business.

I might have been inclined to bring forward a message in terms of Bill C-21 for the Senate, but I understand it has gone on vacation until some time in May.

Some Hon. Members: Oh, oh!

Mr. Speaker: There is a rule about saying uncomplimentary things about the other place. I do not know whether that fits or not.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, I cannot help but rise to the bait here.

I just wonder if the House leader is telling us that he will bring a message in before you, Sir, rule on the point of order before the House. We think we should wait for the Speaker to rule on the point before the minister brings in a message.

Mr. Andre: Mr. Speaker, I do not want to keep us out of Room 216 too long.

No, that is not my intention, but perhaps the Chair could offer some advice, as suggested by one of my colleagues, about how one says something uncomplimentary about the other place.

Some Hon. Members: Hear, hear!

Mr. Speaker: I think we probably better close off this exchange which apparently I started. The hon. member for Kamloops.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I do have a question for my hon. friend. He referred to the other place as being on vacation. Would the minister explain how it is possible to be on a vacation from a vacation?

Mr. Speaker: I am glad I do not have to reserve on that question.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons) Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 98 petitions.

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

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SMALL BUSINESS LOANS ACT

TABLING OF ANNUAL REPORT

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Madam Speaker, pursuant to Standing Order 32(2), I am pleased to table on behalf of my colleague, the Minister of Western Economic Diversification and the minister responsible for the Atlantic Canada Opportunities Agency, two copies, in both official languages, of the annual report on the administration of the Small Business Loans Act for the fiscal year ending March 31, 1989.

If I may, I would like to add my sincere appreciation to all members of the House and to hon. senators in the other place for the speedy passage given to Bill C-56, which extends for three more years the Small Business Loans Act.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): It is a great pleasure for me to table in the House today, in both official languages, the Orders in Council announcing appointments made recently by the government.

Pursuant to Standing Order 110(1), these orders are deemed to have been referred to the standing committees named in the appendix.

* * *

[*English*]

HOUSING

FEDERAL LAND DEVELOPMENT

Hon. Alan Redway (Minister of State (Housing)): Madam Speaker, last October I had the pleasure of announcing the release for development of a second parcel of surplus federal land in the Toronto area, in an effort to address the imbalance between the supply of suitable building sites and the demand for new housing in that area.

• (1530)

Our commitment with both the Downsview lands and the Vaughan site is to created fully integrated communities with a broad range of incomes and to ensure by providing a mix of housing forms and types that at least 25 per cent of the 7,500 new homes would be affordable.

[*Translation*]

Today, I am pleased to announce to the House the implementation by the Canada Mortgage and Housing Corporation, the Canadian agency responsible for housing development, of two new projects which will contribute to alleviate further the shortage of affordable housing both in Toronto and Vancouver. The significance of these two inititiatives lies not only in the number of housing units involved, but in the leadership they provide to others.

[*English*]

In the Kitsilano community of Vancouver, CMHC presently owns and operates two housing projects comprising 349 units on 16 sites—the Vancouver Terraces and Broadway Apartments. The buildings are in need of upgrading and no longer meet the changing needs of their aging occupants. Redevelopment is essential but at the same time the very word "redevelopment" has negative implications for many people. Our approach will hopefully become a model for other residential property owners.

A week ago last Friday in Vancouver, I announced the start of an in-depth and comprehensive consultation in which the residents and neighbours will be fully involved. We will endeavour to show that it is possible to plan redevelopment in a manner which is consistent with local views and which is truly sensitive to the needs of those affected.

A week ago yesterday in Toronto, I announced the details of our plans to redevelop the lands where the CMHC Toronto branch office has been located since the 1950s so as to create an additional 150 dwellings.

In Toronto and in Vancouver we are demonstrating that it is possible to make better use of our resources. In both cases the land was originally developed many years ago at very low densities and the surrounding areas now feature higher densities. It is our expectation that these initiatives will be completely self-financing and could in fact result in some return on the government's investment.

In Vancouver, we are showing how redevelopment can occur in complete sympathy with the neighbourhood, and in Toronto we will be showing the potential for public-private partnerships as we call for proposals from industry to participate with us in the redevelopment of the lands.

[*Translation*]

In Canada, we continue to be seriously concerned about the problem of affordable housing, especially in such demand driven markets as Toronto and Vancouver. Alone, the Federal Government lacks the land resources necessary to deal with the problem. However, we are looking quite closely at all the possibilities open to us to utilize our land resources to the maximum.

[*English*]

Recognizing that we need a concentrated effort to deal with the situation in demand driven markets, I have called upon representatives of the provincial and municipal governments to join with us in local committees to co-ordinate our efforts in addressing the concerns of affordable housing. These committees are already working on this challenge in many of the urban areas of our country, including Toronto and Vancouver.

As well, the federal government is sponsoring a four-year program aimed at improving housing affordability and choice. That is called ACT, for Affordability and Choice Today. This program, jointly managed by the Federation of Canadian Municipalities, the Canadian Home Builders and the Canadian Housing and Renewal Associations, will provide funding to eliminate barriers to new solutions to housing needs and to reduce the costly delays in obtaining development approvals.

Because we cannot resolve housing affordability concerns alone, we have acted to build co-operation with other levels of government and private industry. We need to tear down the road blocks to the solutions and set the right examples. I believe that our recent undertakings, particularly in Vancouver and Toronto, are important steps in this direction.

Mr. Paul Martin (LaSalle—Émard): Madam Speaker, it is an indication of just how little the government has done in the field of affordable housing that the announcement that the minister has just made constitutes a major initiative for the government.

[*Translation*]

Madam Speaker, this is an indication of the poor performance of this government in the region of housing which it just announced as a major initiative.

[*English*]

I would applaud the government for its announcement that it is now prepared to co-operate with municipalities and the private sector in order to develop some kind of an effort in the field of affordable housing.

Unfortunately all we have heard from the government since this minister was appointed, and indeed since the government took power, has been rhetoric and very little action. Despite the promises and grand statements, as the minister repeated for the umpteenth time his initiative in the case of Downsview and Vaughan, there is no construction and there is no initiative. How many more times is the minister going to make the same announcement without some action on his part?

There are thousands of people in Toronto, Vancouver, Montreal, and right across the country who are demanding social housing, co-operative housing, and subsidized

housing. Nonetheless, the lists of the homeless and those needing shelter continue to rise.

[*Translation*]

Madam Speaker, this Government has not really cut all the funds earmarked for housing. The lists of the homeless continue to grow. The Government still continues to ignore that fact.

[*English*]

There are over 1.2 million people in the country who have to devote more than 30 per cent of their revenue to lodging. That is simply unacceptable in a country as rich and prosperous as this one. The government has cut the programs for renovation, which has severely cut a number of the lowest income people in the country away from the possibility of having any kind of decent housing in which to live.

We are living through a crisis. The government is simply not responding. Yet, municipality after municipality, provincial government after provincial government across the country, cry out for national leadership and they are not getting it. Mayor Eggleton has called for a national conference on homelessness. There has been no decent response from the government. Indeed, the initiatives being taken by Mayor Eggleton are ones that should be taken by this minister and the government.

Some 20 per cent of the children of the country live in poverty. The root cause of poverty is homelessness. I ask you, Madam Speaker: what kind of a government would talk about co-operation with the private sector and non-profit organizations and yet would continue, time after time, to withdraw the funds that previous government have made available?

Leadership is more than a question of simple rhetoric and inane announcements. Leadership is action. We have seen none of it. When is the government going to begin to put money into subsidized housing, non-profit housing, and co-operative housing? When is the government going to face up to its responsibilities?

When are the government and this minister going to stop crowing about the fact that it has contributed $340 million back into the Consolidated Revenue Fund, while hundreds of thousands of Canadians are homeless? There are 250,000 homeless Canadians, 80,000 homeless children in the country, and the only major announcement the government can make is that in the last five years it has given back $340 million of the money that ought to have been allocated to housing to the Consolidated Revenue Fund to make corporate grants. This is simply unacceptable.

Homelessness is the root cause of poverty. We all know that. The government has an opportunity to take a leadership role. We see an interim ministry in a caretaker government, and it is really more in sorrow than in anger that I stand here. I applaud this announcement by the minister. It is unfortunately the crumbs of an overfilled table. Canadian people have the right to expect more.

• (1540)

Mr. Jim Karpoff (Surrey North): Madam Speaker, I have been in the House now for about 18 months, the same length of time the hon. minister has been Minister of State for Housing. I have watched a crisis in affordable housing develop into a chronic problem that now affects at least 30 per cent to 40 per cent of Canadians who are living poverty. They are either being driven into poverty by the high cost of housing, or because of poverty they are unable to afford adequate housing.

This was a recycled announcement. All three of these announcements have been made by the minister before. In this time of environmental consciousness it is nice to recycle things, but I really think that the Canadian public and those in difficulty in housing need more than simply recycled press announcements.

All of those announcements are totally hollow. The government has not announced anything that any other large developer in this country would be forced to do. In Toronto, they would be forced by provincial legislation to provide 25 per cent affordable housing, which is what they are going to provide. Their definition of affordable housing is $175,000 a unit. That is not affordable to the vast majority of Canadians.

In Vancouver it is the same thing. They are going to sell off part of their land in order to redevelop, increasing the density. They must get the permission of the residents, the neighbourhood and city council, the same as any other developer would have to do in Vancouver. They are doing nothing more than what is having to be done by Li Ka-shing on the Expo lands.

Yes, the minister has confirmed that the government thinks like a corporation. We are going to get a return on investment. The government is going to make a profit on trying to provide housing to people. They have not in any way committed any government money to alleviating the problem of affordability.

When I was told this morning that the minister was going to make an announcement, I sat down and made a little list of things I thought he was going to announce that I could stand up in this House and congratulate him on.

First, I thought he was going to make some announcement on dealing with the high interest rate that is killing the housing industry. There was nothing there.

Then I thought he was going to announce a restoration of moneys cut back from social housing. There was nothing there.

Then I thought, for goodness sake, at least he is going to announce that they are going to restore the 5,000 units a year committed in 1985 to co-operative housing. There was nothing there.

Then I thought he was going to announce the restoration of the RRAP, but there was nothing there.

I thought he was going to guarantee that the urban native housing program was going to build at least 1,000 units this year. There was nothing there.

Then I thought maybe he was going to announce his pet, that they were going to bring in a speculator's tax. There was nothing there. The government now says it cannot do it, but I can show it how. The same way as the government developed the clawback on senior's pensions, it can develop a clawback for developers and land flippers.

I thought certainly he must be going to announce that the government was going to provide money to municipal governments for infrastructure of sewers, roads, and sidewalks in order to allow for development, but nothing there.

Then I thought at least he was going to say the government is going to deal, not with the people who have housing that is inadequate or unaffordable but with the homeless. In fact there was nothing there.

I sit and wonder why there was a minister's statement. In his statement he says that one of the significances of these two initiatives lies not only in the number of dwelling units involved but in the example that they provide for others.

The example the government has provided since this member has been minister has been retreat and abandonment of its obligation to ensure housing for Canadians.

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INTERPARLIAMENTARY DELEGATION

PRESENTATION OF REPORT OF THE CANADIAN BRANCH OF THE COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. Geoff Scott (Hamilton—Wentworth): Madam Speaker, on behalf of the hon. member for Erie and the hon. member for Parry Sound—Muskoka, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian branch of the Commonwealth Parliamentary Association of the official parliamentary delegation which represented Canada at the Caribbean Parliamentary Seminar in Barbados and Dominica from February 23 to March 5, 1990.

* * *

BILL C-57

REPORT OF LEGISLATIVE COMMITTEE

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, I have the honour to present, in both official languages, the report of the legislative committee on Bill C-57, an act to provide for the protection of integrated circuit topographies and to amend certain acts in consequence thereof, with amendments.

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

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CRIMINAL CODE

MEASURE TO AMEND

Mr. Peter Milliken (Kingston and the Islands) moved for leave to introduce Bill C-295, an act to amend the Criminal Code (mental disorder).

The Acting Speaker (Mrs. Champagne): Shall the hon. member have leave to introduce the said bill?

Some Hon. Members: Agreed.

Mr. Milliken: Madam Speaker, on June 25, 1986, the then Minister of Justice, the hon. member for St. John's West, announced a series of amendments to the Criminal Code setting out new procedures for dealing with mentally disordered persons. To date nothing has been done.

This bill is merely the draft legislation then put forward by the Minister of Justice. I am proposing it to the House as a private member's bill today so that discussion can go forward in the House and across the country and, perhaps, by putting this item on the Order Paper we will be able to get the government to act more speedily in this important matter.

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

* * *

INDUSTRY, SCIENCE AND TECHNOLOGY, REGIONAL AND NORTHERN DEVELOPMENT

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, there have been discussions among the three parties and I believe that you will find unanimous consent for the following two motions. I will put them one at a time. I move:

That the Standing Committee on Industry, Science and Technology, Regional and Northern Development be authorized to travel to Halifax, St. John's, Charlottetown and Moncton from April 29 to May 4, 1990; and to Winnipeg, Saskatoon, Calgary, Vancouver and Yellowknife from May 27 to June 2, 1990, in relation to its study of a science and technology strategy, and that the necessary staff do accompany the committee.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Does the House give consent for the Parliamentary Secretary to move the motion?

Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Motion agreed to.

[*English*]

EXTERNAL AFFAIRS AND INTERNATIONAL TRADE

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, we have also had discussions on this motion and you should find unanimous consent for it as well. I move:

That the Standing Committee on External Affairs and International Trade be authorized to travel to Moscow, Leningrad, Kiev, East Berlin, West Berlin and Bonn for the period April 19 to May 7, 1990, for the purpose of continuing its examination of Canada's changing role in east–west relations; and that the necessary staff do accompany the committee.

• (1550)

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

Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

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PRIVILEGES AND ELECTIONS

CONCURRENCE IN ELEVENTH REPORT OF STANDING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, there have been discussions among the parties and I believe there is disposition in the House that when I move the following motion, it will be carried without debate:

That the eleventh report of the Standing Committee on Privileges and Elections, tabled March 19, 1990, be concurred in.

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

Some Hon. Members: Agreed.

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

Some Hon. Members: Agreed.

Motion agreed to.

[*Translation*]

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

The Acting Speaker (Mrs. Champagne): The Hon. Member for Ottawa—Vanier rises on a point of order.

Mr. Gauthier: Because I had to leave the House for a few moments, Madam Speaker, I was not here during the Daily Routine of Business when the time came for committee reports. If the House agreed to revert to that item of our proceedings, perhaps I could table a report of a committee chaired by the Hon. Member for Beauséjour on Bill C-53?

The Acting Speaker (Mrs. Champagne): Does the House consent to revert to the presentation of committee reports?

Some Hon. Members: Agreed.

* * *

[*English*]

BILL C-53

REPORT OF LEGISLATIVE COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, in the absence of the member for Beauséjour, I would like to present the report of the legislative committee on Bill C-53, an act to amend the Criminal Code (arson), with amendments.

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

* * *

[*Translation*]

PETITIONS

WOMEN'S CENTRES

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I am pleased to table a petition on behalf of the *Ère des centres de femmes du Québec* and of the *Regroupement provincial des maisons d'hébergement et de transition pour femmes victimes de violence conjugale* who, with the help of other groups, have collected 3929 signatures on this petition. Those people humbly call upon the Parliament to reinstate the level of financing for the Equal Opportunities for Women Program, indexing the amount to the cost of living, and to maintain the support funds for women's groups.

[*English*]

GOODS AND SERVICES TAX

Ms. Ethel Blondin (Western Arctic): Madam Speaker, pursuant to Standing Order 36, I rise to present petitions in the House on behalf of my constituents of the Western Arctic.

One of these petitions is on the effect that the goods and services tax will have on skating. The petitioners consider instruction in skating to be an educational service and, therefore, ask the government to exempt skating educational expenses from the proposed goods and services tax.

This petition is from the community of Fort Simpson in the Northwest Territories.

I have a number of other petitions in which the petitioners say that they feel that the goods and services tax will have an onerous burden on the cost of transportation. It will result in a cascading tax because there is already a fuel tax and a transportation tax of 10 per cent.

VIA RAIL

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, I have a number of petitions so I will not go into each one of them individually.

The first one contains the signatures of 177 people who are calling on Parliament to maintain the existing VIA network, upgrade VIA equipment, guarantee VIA sufficiency, and support and carry out its mandate to provide passenger service.

GOODS AND SERVICES TAX

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, the second petition contains a further 606 names of people who, even though third reading of the bill on the goods and services tax is passed, are still indicating their disagreement with it.

They are asking the government to cease with the proposal that shifts the tax burden on to ordinary Canadians through a regressive consumption tax rather than introducing real tax reform.

LOW-LEVEL FLIGHTS

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, the third petition is of interest to many people across Canada. The petitioners are asking Parliament to join with the Assembly of First Nations, the Inuit of Labrador and other aboriginal peoples of northern Canada in opposing the use of their lands for NATO and NORAD attack training and for low-level flight training in Canada.

They ask that Canada redirect NATO-NORAD funding towards enabling Canada's aboriginal peoples to regain control of their lands and their livelihood and promoting sustainable development for all Canadians.

[*Translation*]

TAX BENEFITS FOR NORTHERN AND ISOLATED AREAS

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, pursuant to Standing Order 36, I am tabling today a petition from Chibougamau, in the riding of Roberval and one from Lebel-sur-Quévillon, in the riding of Abitibi, in the province of Quebec, concerning the recommendations of the Tax Force on Tax Benefits for Northern and Isolated Areas.

These communities are without question in an isolated area, and that is why your petitioners consider the Brunelle recommendation to be discriminatory, unfair and inefficient with regard to the purpose of the Northern tax benefit system. It does not encourage settlement in the North and offers no incentive to develop northern resources.

[*English*]

GOODS AND SERVICES TAX

Mr. Maurice Foster (Algoma): Madam Speaker, I have the honour to present several petitions containing the names of 300 or 400 people opposing the goods and services tax from communities across the Algoma riding, including the city of Sault Ste. Marie, the town of Bruce Mines, Elliot Lake, Blind River, Espanola, McKerrow, and Massey. There are signatures from several communities on Manitoulin Island as well: Mindemoya, Kagawong, Tehkummah, West Bay, Gore Bay and several other communities.

The petitioners point out that the goods and services tax will have an adverse impact on the regions of the country, that it comes on top of some 31 new taxes already imposed on the Canadian people and that it will have an adverse impact on low income families, on tourism and on small business.

[*Translation*]

Mr. Cid Samson (Timmins—Chapleau): Madam Speaker, I welcome this opportunity to present, pursuant to Standing Order 36, a petition signed by residents of Black Lake, Thetford, Saint-Jean-de-Brébeuf, Kitchener and several other communities, who humbly pray that Parliament reject the tax on goods and services which is entirely unfair and disregards people's ability to pay.

[*English*]

Also, Madam Speaker, it is my pleasure to present a further petition opposing the goods and services tax from a number of residents of British Columbia who are totally opposed to this goods and services tax because it certainly has no conscience or regard for ability to pay.

The petitioners humbly beseech Parliament to reject this whole tax idea.

CANADA POST

Mr. Maurice A. Dionne (Miramichi): Madam Speaker, I have a petition with 272 signatures from the good people of Loggieville in Miramichi, who are asking Parliament to cease and desist the action of Canada Post in closing rural post offices, thus making the citizens of those communities second class citizens in their own land. This idiocy of Canada Post must stop.

CANADIAN WHEAT BOARD

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, I have two petitions to present today. One is from a number of grain farmers in Saskatchewan who are very concerned with the work that the government is doing on orderly marketing and the dismantling of the Canadian Wheat Board.

They call upon the government to reinstate oats under the Canadian Wheat Board and to give it the same status that barley and wheat now have under the wheat board.

GOODS AND SERVICES TAX

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, I have another petition with about 1,000 names from my constituency, which is a small representation of

the number of petitions I have received concerning the goods and services tax.

The petitioners are very concerned and upset that the government has not addressed the unfair taxation system that currently is in place in this country which permits wealthy individuals and corporations to pay little or no federal tax, while forcing lower and middle income taxpayers to bear more of the national tax burden.

They call upon the government to immediately implement a fair taxation system in this country.

• (1600)

[*Translation*]

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, pursuant to Standing Order 36, I have the honour of tabling a number of petitions signed by Canadians across this country.

[*English*]

These citizens are against the goods and services tax because they believe that if it is implemented it would create economic disruption, increase taxes on average families, introduce an unprecedented level of complexity in the tax system, and impose further hardship on low-income Canadians.

[*Translation*]

They ask us to reject this new tax.

[*English*]

Mr. Ross Harvey (Edmonton East): Madam Speaker, it is said "It ain't over 'til the fat lady sings" and without further reference to the other place I would like to present today under Standing Order 36 a number of petitions signed by a total of 3,341 Edmontonians who continue to call on the government to junk the GST.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, pursuant to Standing Order 36, I have the honour and the privilege of tabling 63 additional petitions bearing 1,837 signatures of citizens throughout the province of Quebec. Your petitioners humbly pray Parliament that the government reject the new goods and services tax which will create incredible hardship for people on low and modest incomes.

[*English*]

VIA RAIL

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I have the honour and privilege of presenting a number of petitions. The first group has been signed by hundreds of Canadians from one end of the country to the other. They are still angry and upset by the decision to reduce VIA Rail services by half and they call upon the government to guarantee VIA sufficient support to carry out its mandate to provide passenger services by upgrading the equipment and putting the system back in place.

GOODS AND SERVICES TAX

Mr. Iain Angus (Thunder Bay—Atikokan): The second group of petitions, Madam Speaker, is signed by 389 residents primarily in the riding of Thunder Bay—Atikokan. They all object to the still-proposed goods and services tax which has yet to go through the other place. I just want to thank the United Steel Workers of America, Gary's Esso Service, Consolidated Press, Dr. Vtipil, Venice Grill, Len's RV Sales, and Old Dutch Foods for their help in collecting these petitions.

Ms. Mary Clancy (Halifax): Madam Speaker, I rise pursuant to Standing Order 36 to present a number of petitions signed by many Canadians from Hamilton and Windsor, Ontario, but most particularly from the metropolitan area of Halifax, including the ridings of Halifax and Halifax West. By these petitions with over 3,000 names these people pray to Parliament that the imposition of the goods and services tax will cause serious and unfair hardship to low and middle-income Canadians, and particularly to those Canadians in Atlantic Canada.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I also rise under Standing Order 36 to present petitions today. The first petition I have is a petition that has been circulated by small business people in my constituency. They ask that this government get rid of the goods and services tax. They say that it forces small business to carry a disproportionate share of the tax burden, and they pray that this government will reject the goods and services tax, consult with business, labour and consumer groups, and reach a consensus on reform of the tax system before implementing the GST. That is

signed by over 30 small business operators in New Westminster—Burnaby.

My second petition, Madam Speaker, is a petition that is signed by Canadians in the lower mainland area of Vancouver, British Columbia, and they are also asking for the goods and services tax to be rejected. They say that it lacks regard for a taxpayer's ability to pay and they ask this government to reject it and to reform the tax system so that there is an effective minimum tax on wealthy individuals and corporations.

LOW-LEVEL FLIGHTS

Ms. Dawn Black (New Westminster—Burnaby): My third petition, Madam Speaker, is one that has been circulated by the Assembly of First Nations and the Innu of Labrador. They oppose the use of their lands for NATO-NORAD attack training and demand that the Canadian government end all NATO-NORAD low-level flight training in Canada. They also oppose the establishment of NATO operations in Canada and, in particular, the proposed training centre at Goose Bay, Labrador. This is a petition signed by almost 100 Canadians.

VIA RAIL

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I have the honour, pursuant to Standing Order 36, to present a petition on behalf of my colleague, the hon. member for Thunder Bay—Nipigon. It concerns the government's decision to eliminate many of VIA Rail's existing routes and thousands of jobs across this country.

The petitioners from Thunder Bay note that Canada deserves a high quality passenger rail service, including modernized equipment throughout the network, and a rapid rail service for the corridor, that rail passenger service is the safest and most environmentally friendly mode of travel, that annual subsidies from the Government of Canada are not disproportionate to subsidies for other modes of transport, that many rural communities rely exclusively on rail passenger service, and that the tourism industry relies on rail transportation services. These petitioners pray that Parliament will restore rail passenger service to its full integrity throughout this country.

GOODS AND SERVICES TAX

Mr. Derek Blackburn (Brant): Madam Speaker, I too rise under the provisions of Standing Order 36. I have the honour and privilege to present two groups of petitions, one from the town of Paris, Ontario, in my constituency, which was collected by the staff, customers, and operators of the Happy Time Video store in Paris, Ontario.

This petition severely criticizes the government for the GST and calls upon this House to force the government to withdraw the GST as it is a regressive form of taxation, and put in its place a more progressive income tax regime.

The other group of petitions contains names of citizens from all over Ontario, mainly southwestern Ontario, who also beseech the House of Commons to force the government to withdraw the GST in favour of a more equitable tax system.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, like so many of my colleagues before me, I have the pleasure and duty of presenting several petitions from citizens who are opposed to the goods and services tax. These petitions bear the signatures of hundreds of Manitobans, including many who reside in my constituency of Winnipeg—St. James. These petitions cite the usual criticisms of the GST, including its regressivity and the fact that it will be a burden on millions and millions of Canadian taxpayers. While I recognize that the GST passed third reading in this House just yesterday, I think that millions of Canadians will never say die with respect to the GST. To quote that famous Yankee: "It's not over until it's over".

LOW-LEVEL FLIGHTS

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it is my honour to present a petition, signed by about 300 people from different parts of Canada—Manitoba, Alberta, British Columbia, and Saskatchewan—who support Canada's aboriginal people in the traditional use of their lands and seek new Canadian initiatives for peace through common security and disarmament rather than NATO-NORAD preparation for low-level, deep-strike attacks.

Therefore, they demand that the Canadian government end all NATO-NORAD low-level flight training in Canada. They especially oppose the establishment of

NATO operations in Canada, including the proposed tactical fighter and weapons training centre at Goose Bay, Labrador.

GOODS AND SERVICES TAX

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I have a second petition signed by several hundred residents of my constituency in northern Saskatchewan. These people are very much aware that the goods and services tax will fall even more heavily on northern residents than on Canadians in other parts of the country due to their higher cost of living. Therefore, they call on the government to withdraw that tax and to introduce a fair taxation system based on ability to pay.

NORTHERN BENEFITS

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I have a third petition, also from residents of northern Saskatchewan. These people are calling on the government to reject the proposals of the task force on northern benefits which would take away the tax benefits from approximately 150 communities in Saskatchewan. They call on the government to introduce a tax benefit system that recognizes the higher cost of living in northern Saskatchewan and to implement a tax system which will recognize those costs and to implement that immediately.

• (1610)

GOODS AND SERVICES TAX

Mrs. Christine Stewart (Northumberland): Madam Speaker, I have the honour today to present from my riding another petition which refers to the proposed goods and services tax. Had it not been for the procedures of the House, I would have had the opportunity to present these petitions sooner.

The people who are represented in these petitions from all parts of my riding ask that the government withdraw this tax. They believe, in the words of an octogenarian from my riding, that it will have a very bad effect on our economy, lead to a recession, and will be the straw that breaks the camel's back for many of the consumers in my riding.

Mr. John Brewin (Victoria): Madam Speaker, I have a petition from over 2,000 people, primarily from Victoria, on the subject of the GST.

The petition urges Parliament to reject the GST. The message, while too late for the House of Commons on this round, is still a viable issue for the other House of Parliament. I present these petitions to the House in the hope that the government will finally listen.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Madam Speaker, it is my honour and duty on behalf of the citizens of Canada to present a number of petitions on the goods and services tax.

They point out that the goods and services tax is an unfair form of taxation because it lacks regard for the taxpayers' ability to pay. They call upon Parliament to reject the current proposals and to put in place tax reform which is valid for all people of Canada.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is indeed a pleasure to present a petition, pursuant to Standing Order 36, on behalf of a number of residents of my constituency, Kamloops, Clearwater, Barrier, Logan Lake, Chase, Savona, and a number of other communities as well.

They also point out their concerns regarding the proposed goods and services tax and presumably are now asking Parliament to oppose this tax once it comes back from the Upper House.

CHILDREN'S BILL OF RIGHTS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, my second petition refers to the number of children living in poverty in Canada. The petitioners point out that the number of these children is actually increasing and call upon the government of Canada to negotiate with the provinces to provide a comprehensive bill of rights for children.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 213, 237, 248, and 249.

[*Text*]

PURCHASE OF BOOK ENTITLED SAFETY SENSE ON THE ROAD

Question No. 213—**Mr. Boudria:**

1. Were copies of the book *Safety Sense on the Road* by Heward Grafftey and its French version *Sécurité en tête sur la route* purchased by the government and, if so (a) at what price (b) at what time (c) for what purpose?

2. Was government assistance provided for the preparation of the book and, if so, to what persons?

Mr. Albert Cooper (Parliamentary Secretary to the Minister of State and Leader of the Government in the House of Commons): See attached.

I am informed as follows:

1. DEPARTMENT	NUMBER OF COPIES	COST	DATE OF PURCHASE	PURPOSE	2.
National Health & Welfare	8,600 English 5,100 French	$41,100.00	Fall of 1988	To promote safe driving for employees.	No
National Revenue Taxation	11 English 11 French	130.90	March 30, 1989	For reference purposes in Departmental libraries.	No
Customs & Excise	25 English 25 French	297.50	February 21, 1989	For reference purposes in Departmental libraries.	No
National Capital Commission	50 English 50 French	385.00	November 16, 1989	For training and promotional campaign on safe driving.	No
Transport Canada	14,000 English 6,000 French	60,000.00	December 1989	In response to a request from the Roads and Transport Association of Canada so that organization could distribute to high school students during the National Transportation Week, a publication which it felt to be unique to "aid in the objectives of National Transportation Week".	No
Treasury Board	40 English 40 French	476.00	July 1989	For distribution, one copy in each language, to departments to determine if it could serve as a preventative tool for their employees and their safety and health committees.	No

All other departments have submitted a nil response to this question.

ENVIRONMENTAL ASSESSMENT OF THE PROPOSED GOLD MINE IN SHOAL LAKE

Question No. 237—**Mr. Harvard:**

Does the government intend to take any action in the environmental assessment of the proposed gold mine in Shoal Lake and, if so, what action?

Hon. Lucien Bouchard (Minister of the Environment): Yes, the Department of Fisheries and Oceans is applying the Environmental Assessment and Review Process to the proposal. In addition, if there is a requirement for an approval under the Navigable Waters Protection Act, the Department of Transport will also apply the process.

Ontario has designated the project under its Environmental Assessment Act. The Department of Fisheries and Oceans and Environment Canada are both providing input to the provincial process. Moreover, Environment Canada officials will participate actively in Ontario's public hearing process and will also ensure that the project meets the requirements of the federal Metal Mining Liquid Effluent Regulations.

SECURITIES CURRENTLY HELD BY PETRO-CANADA

Question No. 248—**Mr. Milliken:**

Are there any companies in which Petro Canada currently holds securities and, if so (a) what is the name of each such company (b) what number of securities does Petro Canada hold in each one?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources):

Petro-Canada reports as follows:

(a) & (b) The attached list shows the securities which Petro-Canada currently holds.

PETRO-CANADA INC. — EQUITY INVESTMENTS

(a) Company	(b) No. of shares
Alberta Products Pipeline Ltd.	3,500
Canstar Oil Sands Ltd.	50
Downhole Systems Technology Canada Inc.	183,000
Fundy Energy Inc.	4,904
Harvey's Oil Ltd.	4,581
Hibernia Management & Development Company Ltd.	5,000
International de Services Industriels et Scientifique, S.A.	216,000
Jiffy Lube Inc.	49
Joseph Elie Inc.	499
Kenmac Energy Inc.	4,900
Les Huiles Desroches Inc.	2,951
Les Huiles du Royaume Inc.	500
Les Huiles Lamontagne Inc.	1,049
Les Huiles Town & Country Inc.	520
Les Pétroles De La Mauricie (Canada) Inc.	212,799
Les Pétroles Saint-Jean-Sur Richelieu Inc.	2,444
Les Pétroles Sherbrooke Inc.	90,441
Les Pétroles Vosco (Canada) Ltée.	7,711
MacGillivray Fuels Limited	4,900
Marchand Petroleum (Canada) Inc.	14,309
Montreal Pipeline Limited	6,440
Northward Development Ltd.	170
Pacific Northern Gas Ltd.	300,000
Panarctic Oils Ltd.	3,700,206
Peace Pipeline Ltd.	42,354
Petro Sud-Ouest Inc.	108,878
Petro-Canada Centre Inc.	50
Petro-Canada Centre Finance Inc.	1
Petrogas Processing Ltd.	113,458
Pétrole M. Miron Inc.	229,094
Pétrole Chaleurs (1981) Inc.	332,929
Redwater Water Disposal Co. Ltd.	311
Sedpex Inc.	50
Sulconam Inc.	15,236
Sydco Fuels Limited	1,517
Syncrude Canada Ltd.	1,700
TransNorthern Pipeline Ltd.	7,004
Westcoast Energy Inc.	18,548,850
Westcoast Energy Inc. (Special Warrants)	2,343,000
West Nova Inc.	964,084
288564 Alberta Ltd.	1
Carnduff Gas Limited	400
Cheyenne Petroleum Corp. (NPL)	597
Dreco Energy Services Ltd.	128
East Coast Spill Response Inc.	1
House of Brougham Limited	98
Manhattan Continental Dev. Corp.	160
Oil Spill Response Limited	20
Pacific Energy Resources Ltd.	1
Polar Gas Engineering Services Ltd.	23,570
Rimbey Pipe Line Co. Ltd.	2,598
Sultran Ltd.	40,000
Toronto Credits Limited	100
204383 Enterprises Inc.	10
346877 Ontario Limited	1

PETRO-CANADA

(a) Corporation	(b) No. of shares
Canertech Inc.	1
Petro-Canada Inc.	4,216,011
Petro-Canada International Assistance Corporation	1

HERITAGE CLUB

Question No. 249—**Mr. Keyes:**

Is the government aware of a retirement group inside Canada Post known as the Heritage Club and, if so (a) what is the ratio between members of the club who are management retirees and those who were regular employees of Canada Post (b) is there a board of directors of the club and, if so, are they paid and, if so, by whom (c) who pays the cost of club events?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): (a) Actually, there is 21,428 members to the Heritage Club. The breakdown is as follows:

Active members (25 years or more of service) 1,466

Retirees 19,962

At this time, it is not possible to determine the proportion of members who are management or other.

(b) Heritage Club does not have a Board of Directors. However, there is an Executive Committee of 4 unpaid members.

c) Canada Post Corporation pays for periodical ceremonies designed to recognize employees and/or retirees with long service records.

[*English*]

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

The Acting Speaker (Mrs. Champagne): The questions as enumerated by the Parliamentary Secretary have been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Acting Speaker (Mrs. Champagne): Shall all Notices of Motions for the Production of Papers be allowed to stand?

Some Hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

INCOME TAX ACT

MEASURE TO AMEND

The House resumed from Thursday, April 5, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-51, an act to amend the Income Tax Act, be read the second time and referred to a legislative committee.

The Acting Speaker (Mrs. Champagne): I wish to inform the House that because of ministerial statements Government Orders will be extended by 15 minutes.

Is there debate?

Some Hon. Members: Question.

The Acting Speaker (Mrs. Champagne): The House is ready for the question. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

Bill read the second time and referred to a legislative committee.

Mr. Cooper: Madam Speaker, may I say to all staff of the House of Commons, the pages, the table officers, the Speaker's office, the members of the House, a very good Easter, and may we call it 6.15 p.m.

The Acting Speaker (Mrs. Champagne): May I extend my own best wishes to everyone and to our public. Maybe all of us will hope that it is the Wednesday before Easter more often.

Mr. Riis: Madam Speaker, I just want to join with my colleagues and say that we have gone through some tough days and we look forward to a more pleasant House when we return.

May I use this occasion before we recess to say that some days ago I was accused of making some disparaging remarks about the Speaker. I did make those remarks. I apologize.

The Acting Speaker (Mrs. Champagne): I do thank the hon. member for Kamloops. It is very much appreciated and I realize that sometimes things are said in a moment of debate. His gesture today is very much appreciated.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mrs. Champagne): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-13, an act to amend an act to incorporate the Ukranian Greek Orthodox Church of Canada, to which the concurrence of the House is desired.

[*Translation*]

It being 4.18 p.m., this House stands adjourned until Monday, April 23, 1990, at 1 p.m., pursuant to Standing Order 24(1).

The House adjourned at 4.18 p.m.

HOUSE OF COMMONS

Monday, April 23, 1990

The House met at 1 p.m.

Prayers

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

OCCUPATIONAL HEALTH AND SAFETY

FUNDING

The House resumed from Monday, April 2, consideration of the motion of Mr. Keyes:

> That, in the opinion of this House, the government should consider the advisability of reinstating funding for the Canadian Centre for Occupational Health and Safety.

Mr. Jack Iyerak Anawak (Nunatsiaq): Madam Speaker, I am very pleased today to have the opportunity to speak in favour of the motion of my hon. colleague from Hamilton West urging the government to reinstate funding for the Canadian Centre for Occupational Health and Safety.

As the Centre for Occupational Health and Safety is located in Hamilton, the concern of my colleague from Hamilton West is obvious and well-founded. The fact that this motion was selected by the Standing Committee on Private Members' Business as a votable motion suggests that my colleague's concern is shared by many other members of this House.

The issue is the government's decision to withdraw funding from the centre. Established in 1978 by an act of Parliament, the centre has evolved into an internationally recognized institution.

In 1986–87, the government began cost recovery measures. Cabinet decided that the centre should be self-sufficient by the beginning of fiscal year 1991–92. The centre has been increasing its revenues through user-fees, and the government has been withdrawing its funding.

The centre has been operating on a budget of about $10 million a year.

This year the Centre for Occupational Health and Safety will try to recover $5.3 million of its operating costs through service fees and sales of its products.

The mandate of the centre is to promote the fundamental right of Canadians to a healthy and safe working environment.

A tripartite organization, the centre's governing council, consists of a chairman and governors representing governments—federal, provincial, territorial—employers and labour.

The centre is the national information resource in occupational health and safety. It responds to inquiries. It provides a cross-Canada electronic service; and it produces and distributes publications.

Its clients are labour, management, government, health and safety organizations, media, educational institutions and professionals.

It collaborates with Canadian and foreign organizations in developing its data base collection. The centre's INFO disc was selected by the World Health Organization and the International Development Research Centre as the information vehicle for an international poison control project.

The World Health Organization has requested copies of the centre's publications to assist a series of discussions aimed at international terminology standardization. The Occupational Health and Safety Information Agency of the International Labour Office wants to distribute the centre's information throughout the developing world.

• (1310)

The centre's objectives are to provide Canadians with information about occupational health and safety which is trustworthy, comprehensive and intelligible, to facilitate responsible decision-making, promote change in the workplace, increase awareness of the need for a healthy

and safe working environment and support education and training. These objectives are cited in the government's own Main Estimates for this year.

The concern of many is that these objectives are being compromised by the government's decision to eliminate funding to the centre and to have the centre become self-sufficient.

The centre's mandate is now a commercial one. This is confirmed in the centre's business plan which covers the five-year period from April, 1990 to April, 1995. The plan was developed to respond to the decision of the Minister of Labour that the government will substantially reduce and ultimately discontinue its funding of the centre.

This plan calls for price increases on most existing products and services. It is the centre's plan for financial self-sufficiency.

The key service provided by the centre is a free access service for workers and other individuals. This, apparently, for the moment, will not be subject to a user fee. But what guarantees are there that this will not happen at some point in the future?

One of the strategies outlined in the business plan clearly states that the sale of products rather than the delivery of services will be favoured because the profit potential is greater. The great concern is that profits will be displacing the ability and right of workers and small employers to important information.

The centre's new commercial mandate affects the centre's credibility. Contributors which provide information free of charge to the centre for dissemination are concerned that user fees are going to be applied.

The application of user fees violates universal access to health and safety information. These fees are regressive. People who can afford to pay for the information will get it. Those who cannot afford to pay will not get access to vital information.

Surely safe and healthy workplaces are fundamental rights of Canadian workers. The government should be protecting this right, not diminishing it.

The great danger is that vital and necessary information becomes privileged and access also becomes privileged.

The move by the government endangers the future of the centre. It is wrong. I urge the government to reinstate its funding to the centre, as recommended in the motion of my hon. colleague from Hamilton West. Let us not punish success by withdrawing support.

[*Translation*]

Mr. Charles DeBlois (Montmorency—Orléans): Madam Speaker, I welcome this opportunity to speak to the motion presented by the hon. member for Hamilton West, which asks the government to reconsider its decision on cutbacks at the Canadian Centre for Occupational Health and Safety.

My constituents may find it somewhat surprising to see me addressing this subject, Madam Speaker.

Nevertheless, I think it is important for those watching us, as it is for my constituents, to realize that our role here in Ottawa is not only to defend the interests of our constituency but to take an interest in all national issues. The Canadian Centre for Occupational Health and Safety is certainly one of the most important Canadian institutions that is engaged in promoting and providing the kind of information that is so vital to the labour world.

This is our fourth day of debate on this motion. I think we should recall that the Canadian Centre for Occupational Health and Safety was established some 12 years ago, and that every year, as the previous speaker mentioned, this organization has received, mostly from the federal government, the sum of $10 million to meet its objectives and inform Canadians. Recently, however, in accordance with our policy to put our financial house in order, the government of which I am a member decided to ask all Crown corporations to do their share, so that the clean-up of our public finance strategy will be shared by all agencies receiving funding from the Crown. That is why, I repeat, this government has, I would say almost reluctantly, asked the centre to do what all other agencies are doing to help put our financial house in order.

This morning, Madam Speaker, I was reading *Hansard* for the three days we debated this issue. I read all this with great interest, but I must admit that before this morning, I was not familiar with the Canadian Centre for Occupational Health and Safety, and I must say the range of the centre's activities was a revelation. Thanks to the speeches by previous speakers, including members of the opposition, I was able to acquire a good understanding of the indispensable role played by this national institution. Our opposition friends all agree that we

should cut spending. We have a considerable debt, and we are told that we should cut into the bureaucracy. However, every time we mention one area where we are asking people to improve spending controls, the opposition's attitude, and I think this is rather depressing, is always the same: They say we are not cutting the right things. They say we should not cut spending. However, if we listened to them, we would never do anything at all.

Mr. Côté: Let's cut the opposition!

Mr. DeBlois: I certainly wouldn't mind cutting the opposition as the hon. member just suggested, but after all, under our democratic system we have to accept the fact of our hon. friends opposite—is it partisanship or petty politics? Who knows! However, I can tell you that we have the guts, and I say this without hesitation, I think we have the guts to try, and even to succeed. I think we shall succeed in putting our financial house in order. What are we asking the Canadian Centre for Occupational Health and Safety to do? Just this: Try and upgrade your cost recovery policy. It is entirely normal that an agency funded by the government, by your taxes and mine, in which employers and the unions participate jointly with the federal government, that that agency recover its costs when it provides information to people who want that information. In any case, the centre is not the only agency that works on a cost recovery, fee-for-service basis. I don't think this measure is intended to kill an agency that has provided excellent service. Its purpose is simply to get everyone more involved, starting with the unions, the employers and those who receive these services.

Madam Speaker, we are almost caught in a vicious circle. They tell us: Put your financial house in order. Because of the deficit we are cutting back on funding for the centre, and if we do not apply this strategy, our social programs will be at risk. In my riding, there are senior citizens who disagree with me and say: You are cutting some of the things we get, like the old age pension clawback for people with gross incomes around $70,000, or a net income of $50,000. However, I tell my senior citizens: Listen! You are lucky. Who knows whether in 15 or 20 years, when a Liberal government from which the Lord preserve us is in power again, we will still be able to afford old age pensions? I am not sure, Madam Speaker, even though I am old enough. I am not sure than when I am 65, I will be able to collect my old age pension, not because I will be one of the fortunate whose gross income is over $50,000 or $70,000, but if we do not put our financial house in order, if we do not make some unpleasant cuts—I am always struck by the fact that everyone agrees with cuts, but no one wants cuts in areas that affect them.

• (1320)

It is the same with the GST. We had a lot of organizations come here to tell us, regarding our proposed goods and services tax, that they agreed with changing the federal tax. They said, "The present tax is inefficient and full of loopholes. We agree with your plan, but exempt us. Don't touch us!" In other words, they agree with restoring the government's finances and making cuts, but they say, "Please don't make cuts that affect us!"

I understand why the hon. member for Hamilton West defends the Centre for Occupational Health and Safety, which is probably in his riding. I would do so the same thing if I were in his place. If this centre were in the beautiful riding of Montmorency—Orléans, I would certainly be hurt. I think that he is defending it well and skilfully.

That said, I think that beyond our own riding, we must see the national interest. The national interest now requires all organizations receiving federal funds to make an effort. No federal agency, no organization that depends on the federal government, should be spared from this collective effort which applies to everything under federal jurisdiction.

Madam Speaker, I do not want to dwell on it. I think we are talking calmly and dispassionately and saying, "Can this very important organization in Canadian life not—" and I think people understand. From what I have read, people who deal with the CCOSH are not surprised that they have to pay part of the costs related to the documentation and information they receive.

For all these reasons, I do not think it is necessary to ask the government to reconsider its policy of requiring this agency to cover more of its costs. Therefore, I must unfortunately vote against the motion of the hon. member for Hamilton West and support the government in its decision to require more financial responsibility of the

directors of the Canadian Centre for Occupational Health and Safety.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I feel privileged to have the opportunity to speak on this Private Member's motion presented by my colleague, the hon. member for Hamilton West.

I want to start by addressing the hon. member opposite, the member for Montmorency—Orléans. In his speech he asked the question: "Are we doing this for partisan reasons?" I want to tell him straight off that this is not an issue with which we can afford to play partisan politics.

This centre for occupational health and safety has been useful not only to the constituents of the hon. member for Hamilton West, but it has probably been used by constituents of every member of the House.

Before I came to speak on this private members' motion today, I reviewed the annual report of the centre. There are, perhaps, a lot of Canadians out there who do not know what the Centre for Occupational Health and Safety does. It is a centre which provides Canadians with information about occupational health and safety which is trustworthy and comprehensive. It is there to facilitate responsible decision making, to promote change in the work place, to increase awareness of the need for a healthy and safe-working environment, and to support education and training.

The hon. member mentioned in his speech that the centre has been open for 10 years. During that period it has developed a trust, not only nationally but internationally. It has been putting out publications and providing tips to various publications. Every year the centre has been touching close to four million Canadians who work in the workplace.

The centre has developed relations with Agriculture Canada to provide regulatory information about pesticide products, as well as with the Australian Centre for Health and Safety, the Canadian Hospital Association, Environment Canada and universities across Canada.

This institution was built over a period of many years and is a corner-stone for business and labour in our country. The motion comes from the hon. member for Hamilton West and one may think that, because it is a private members' motion, it involves just his riding. That is not so. It is a national service as well as an international service.

As the hon. member opposite stated in his speech, I realize that we do have a deficit and a debt problem in this country. He should never think that we on this side of the House ignore that.

When looking at making cuts in the national government, it becomes a game of options and priorities. It seems to me that one of the priorities of the government, alongside fiscal responsibility, is a deep and passionate commitment to matters environmental.

I read last week the Minister of the Environment's framework for discussion on the environment, the *Green Plan*.

Mr. Gardiner: It probably didn't take you long.

Mr. Mills: It took me a fair bit of time to read it.

I, for one, think that the Minister of the Environment is deeply committed to this issue. I found him to be sincere in trying to get his head around how we can get people involved in an activist way with the environmental issue. It is not an easy job.

My own experience in my own riding has been that there are a lot of people who talk about getting involved in the environmental movement but, generally speaking, it is mostly the children in the country who get involved. It is tougher to get parents and adults motivated.

I concede that he has a tough job. But in his objective paper, the Minister of the Environment stated: "To reach this objective we believe that the Government of Canada must lead by example. We believe that a healthy environment and a strong economy must be recognized as being mutually dependent."

The minister talked about his impatience to act and how we have to make up for decades of environmental oversight. This is all pretty good as far as I am concerned. He stated further that the Government of Canada plans to upgrade its ability to provide more timely and effective warnings of natural hazards such as blizzards, tornadoes and marine storms, and hazards that are themselves linked to pollution emergencies. He talked about improved techniques for understanding and detecting these

hazards, bettercommunications, enhanced public education, as well as matters related to health.

The Minister of the Environment has received a lot of criticism in the last few days about his discussion paper. But I think that tactically he is doing the right thing. He has put a document out there which is causing people to react. He said that by September he would come up with a specific action plan.

• (1330)

With this request to restore funding to the Canadian Centre for Occupational Health and Safety we are asking this government to be consistent with its priority commitment to the environment because if this centre is in any way jeopardized or fractured, it is going against this action plan presented by the Minister of the Environment.

This is the problem that Canadians have right now. There is a lot of confusion out there and it hinges on the issue of trust. On one hand the government talks about its commitment to the environment. On the other hand you see cuts—although not large, an amount of money we could find from within the system—to an institution that has been on the leading edge of providing guidelines and regulations for the workplace and preparing it as an environment that is safe and without hazard.

In order to maintain consistency on its priority issue the government should not be looking at an institution that has basically been an environmental institution since 1978. It has been on the leading edge. I commend my colleague, the hon. member for Hamilton—West, for taking the initiative on this. In government there are hundreds of Crown corporations and services which, because they do not have a high profile in terms of service, do not get on that priority sheet, and this will be another such agency. It is an automatic cut. In other words, the Minister of Finance will say: "I want all Crown corporations to be cut by 15 to 20 per cent", and there will be no sensitivity to some of the smaller agencies of government.

The Minister of the Environment, the Minister of National Health and Welfare, the Prime Minister and the Minister of Finance should get together and realize that this is an institution that provides national service. Every one of us in this House have people in our ridings seeking advice on how to create a more healthy and safe workplace. I think that if they understood this they would reconsider their position.

Mr. Geoff Scott (Hamilton—Wentworth): Madam Speaker, it is a particular pleasure for me, as a representative from Hamilton, to be addressing this House on one of my city's worthiest institutions. We in the greater Hamilton-Wentworth area are not the only proud beneficiaries of the Canadian Centre for Occupational Health and Safety. All of Ontario and indeed all of Canada should treasure this project.

We all agree today that we face enormous challenges in the area of occupational health and safety in Canada. Fortunately we are now equipped with a vital information centre on occupational health and safety. This was envisaged 12 years go by labour, business and governments in order to meet the future challenges which are now upon us.

In the past decade the number of occupational accidents and illnesses in Canada has continued to be a major concern to employers, workers and government. During this 10 year period we have seen an increasing willingness and capacity on the part of organizations, employers, workers, government and everyone else to co-operate in efforts to reduce these losses.

We are talking about losses in terms of human suffering and economic losses as well. We must increase our efforts. We must continue to work together to ensure a safe and healthy working environment for all Canadians. As recently as this past weekend we saw 140 nations involved in Earth and World Environment Day. We are greatly concerned about our environment and about its effects on the health of Canadians. Canadian workplaces are a vital part of this total environment, so we must be equally concerned with the effects of the workplace on the health and well-being of the workers.

Occupational safety and health in Canada is a pretty complex field. We are talking about a combination of economic, scientific and ethical issues. The field is further complicated by the fact that we are dealing with 13 governments—10 provinces, 2 territories and Ottawa, and they are all trying to do something.

The importance of this field in Canada and in other countries is becoming more and more recognized because of the impact of economic, social, technological and demographic trends on this area of activity as well as the impact of trends related to the working environment.

This involves the whole health field in general so we are talking about a very serious problem here.

The current economy in Canada does dictate a critical need to reduce government deficits and to improve productivity and efficiency. The need to compete internationally also highlights and adds impetus to greater productivity and efficiency. So all levels of government in Canada are finding it necessary to cut back on some of their social services and programs.

Employers are more acutely aware of their changing social responsibilities. Because of the current shortage of skilled workers in some geographic areas of this country, some corporations are increasing their chances to attract and retain the best employees by demonstrating attention to factors such as occupational health and safety.

The rising cost of the workers compensation programs, of health care in Canada and the need to improve the health status of Canadians are making us insist more and more on health promotion, disease prevention and accident prevention.

The impact that these trends are having on the field of occupational safety and health is also opening many opportunities for the CCOHS in performing its mandate. The rising awareness and understanding of health, occupational and general environmental issues is creating an increased demand for information on these subject areas. The business plan submitted clearly shows that the centre is conscious of these rising demands and that it can become financially self-sufficient. It can do this but, at the same time, it has to meet the mandate of serving Canadian workers in matters of occupational health and safety.

The Canadian Centre for Occupational Health and Safety is ready to face these new challenges. In fact, it is because the centre could successfully meet challenges in the past that it is renowned, both throughout Canada and internationally. It is known for its reliable source of unbiased and highly professional information on occupational health and safety matters. The CCOHS has done an excellent job, a superb job in my view, in meeting its mandate, under the guidance and control of its three social partners—a demonstration that tripartism works.

The government is very much committed to all aspects of occupational health and safety in Canada and, specifically, to the work of this centre. This commitment has not and will not change. The government is confident that the CCOHS will meet this key challenge and become a self-sufficient organization while operating under the basic mandate of serving Canadian workers in matters of occupational health and safety.

In closing, I want to say that there is no question that the centre and its staff have proven their managerial excellence. As a Hamiltonian, I am proud to salute the Canadian Centre for Occupational Health and Safety and, like my distinguished colleague from Hamilton West, I am sure all other members in this House will do likewise.

• (1340)

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mrs. Champagne): Therefore, the sitting is suspended until two o'clock.

At 1.40 p.m., the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Madam Speaker, today we learned of a remarkably inept statement made

by the Minister of Energy to the Canadian Coal Association; that Canada would have to ban cars in its major cities to meet national targets for cutting air pollution.

The minister is using scare tactics to justify inaction. The fact is that energy efficiency alone, as confirmed by experts, can meet or exceed the target of a 20 per cent reduction in carbon dioxide pollution by 2005, as proposed in Toronto at the Changing Atmosphere Conference.

The Minister of Energy shows an abysmal ignorance of the facts. In addition, energy efficiency makes good economic sense. We have a long way to go in Canada to become energy efficient. Therefore, the minister is failing to grasp a political opportunity which a seven year old would readily understand. What a pity!

* * *

[*Translation*]

RAILWAY TRANSPORT

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, on March 30, Canada's National Transportation Agency published the report on its investigation of the inspection practices for Canadian National Railways tank cars in the Montreal-Sarnia corridor.

The investigation highlighted three main points. First, Transport Canada's safety standards are not enforced as they should be; second, the railway's operating procedures show that some of the standards are probably unnecessary, as a result of progress made; finally, in view of the two previous factors, new standards should be developed. Furthermore, it seems that staff cuts in the Sarnia yards are adding to the pressure on railway inspectors to do more in less time.

Madam Speaker, this is not the first time I have spoken about tank cars in this House and Transport Canada must impose strict penalties on railways that do not meet the safety requirements in effect for tank and freight cars.

* * *

[*English*]

FISHERIES

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, last week the Minister of Fisheries delivered a speech obviously written for him in the boardrooms of the corporate fishing giants.

It is clear that the minister has ignored the people of Canso, Grand Bank, Digby and hundreds of other communities who depend upon the fishery. It is clear he has ignored the findings of the Harris report, which identified as one of the major contributors to the collapse of the fish stocks the technology used by large offshore corporate fishing fleets.

One of the federal government's own advisory councils had this to say about the consequences of failing to aid the communities hit by the fishing crisis: "hundreds of Atlantic communities will lose their only industry. Thousands of families, left without adequate incomes will be forced to rely on welfare, or to uproot their lives for the dubious promise of mainland wealth."

On two occasions the Prime Minister has told Atlantic Canadians that there will be an assistance package for them. But last week the Minister of Fisheries told them that there would be an aid package only. If what the Minister of Fisheries has said is correct, what does that make the Prime Minister? If the minister is incorrect, his resignation should be demanded immediately.

What Atlantic Canadians want is a future in the fishery which has sustained their communities for hundreds of years. This government is more concerned about the balance sheets of their corporate friends than about the lifeblood of hundreds of communities and thousands of families.

* * *

EARTH DAY

Mr. Stan Darling (Parry Sound—Muskoka): Madam Speaker, as all hon. members will know, yesterday was a great day in Canada, and in fact around the world, when we celebrated Earth Day.

There was a great rally on Parliament Hill. I know that all members and all levels of government are going to do their best to see that the earth is going to be cleaned up.

We are privileged today to have in the gallery the founder of Earth Day and the designer of the Earth Day flag, Mr. John McConnell of New York City. I am pleased to welcome him here.

S. O. 31

AGRICULTURE

Mrs. Coline Campbell (South West Nova): Madam Speaker, across Canada farmers are seeing ominous signs as to what the future holds for them under this government's international trade policy.

In 1989, they saw the GATT overturn import quotas for yogurt and ice cream, and the United States slap a 3.6 cents a pound duty on pork exports.

This year, Canadian dairy farmers have been confused and concerned by the refusal of the federal government to increase the price of industrial milk on February 1, causing their levels of income to fall even further behind their costs of production. In Nova Scotia, milk producers have been further troubled by the drop in the value of their 1990 quota as compared to 1989, showing uncertainty in an area of agriculture that should be stable and healthy.

Canadian farmers are growing worried that the government is not acting forcefully in international negotiations to protect their interests. Increasingly they fear that these developments foreshadow a general erosion of the supply management systems on which they depend for a profit. I call on the government to take the kind of action that will reassure and protect the thousands of farmers who feel that they are being forgotten at the international bargaining table.

* * *

MUSEUMS

Mr. Bill Casey (Cumberland—Colchester): Madam Speaker, the National Geographic Society has billed a recent fossil find near Parrsboro, Nova Scotia, as the biggest fossil find in North America. The discovery included over 100,000 pieces of fossil bones, as well as a 300 million year old fossilized insect, possibly the oldest ever found.

The people of the Parrsboro area have put together a plan for a museum and research centre which involves funding from the private sector, the province, the municipality and the federal government. The proposal would not only provide a museum to display the fossils, but will also be a research facility to eliminate further shipment of these valuable fossils to the United States.

I strongly urge members of the Treasury Board to approve the application of the Department of Communications for funding when the proposal for this museum comes before it. The museum will save the fossils and provide much-needed work in this area of high unemployment.

* * *

NATIONAL VOLUNTEER WEEK

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, this is National Volunteer Week, a week devoted to recognizing the varied and invaluable contribution of volunteers across Canada.

Volunteers are the backbone of many of our country's non-profit organizations. Religious organizations, sports and recreational activities, education, youth development and health account for fully 57 per cent of Canada's volunteer experience. Our society is greatly enriched by the generous participation of these volunteers in hospitals, seniors' homes, boy scouts and girl guides, or wherever their zeal may take them.

We in the Liberal opposition hope that volunteers will not be deterred in their work by the imposition of a 7 per cent tax on their contributed out-of-pocket expenses as proposed by the mean-spirited government opposite.

* * *

EARTH DAY

Mr. Ken James (Sarnia—Lambton): Madam Speaker, as all members will know, yesterday marked the twentieth anniversary of the original Earth Day.

Thousands of Canadians from coast to coast joined millions of people around the world who participated in thousands of separate activities. Themes, such as reforestation, stop acid rain, energy conservation, recycling, reuse, responsible waste disposal, and water conservation were heard across my riding of Sarnia—Lambton as well as around the globe.

However, yesterday must be more than a celebration to be effectively the first day of a green future. What we need is a change in basic habits, not simply attitudes. For the remainder of the year, Canadians including those of Sarnia—Lambton have to recognize that just about everything we do can have an effect on our environment. Let us have Earth Day on our minds every day. We, as elected representatives, must lead by example. If enough

of us made a commitment to choose to do the things that are better for the environment whenever possible, collectively we could make a difference.

Madam Speaker, on Earth Day 1991 I look forward to hearing about the progress which we have made through 1990. For my part, in 1990 and beyond I will be working actively toward being part of the solution.

* * *

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, yesterday was the twentieth anniversary of Earth Day, and was probably the biggest celebration of the event in history. Canadians and people all over the world helped our environment by planting trees and making their contribution to fighting global warming and reforesting our over-harvested lands.

Everyone except this government is planting trees. Our own federal government has allowed tree planting agreements in B.C., Alberta, Saskatchewan, Manitoba and Ontario to expire and there is only lip service to our forests in the government's so-called Green Plan.

I call on this government to catch up to everybody else's interest in Earth Day and renew those tree-planting agreements today.

* * *

NATIONAL VOLUNTEER WEEK

Mr. Walter Van De Walle (St. Albert): Madam Speaker, this week is National Volunteer Week in Canada. This is an ideal time to pay tribute to the millions of volunteers throughout this land who have given their time to enrich the lives of others.

Thirteen million Canadians, roughly two-thirds of our adult population, devote their time and energy to one of Canada's many volunteer services.

Volunteers carry out a variety of tasks in our communities. In fact, Canadian society as we know it today could not function without volunteers. Through their time and commitment volunteers bring our communities together and build a spirit that is Canada.

On behalf of all Canadians I would like to salute volunteers from coast to coast during this national volunteer week in Canada for the important contributions they make to our Canadian way of life.

* * *

• (1410)

THE ENVIRONMENT

Mr. Rex Crawford (Kent): Madam Speaker, Canadians wonder what on earth this government is doing to save the environment. After millions of us took part in Earth Day ceremonies yesterday, Canadians realize this government's action is only hot air and recycled promises mired in delay.

For example, the Canadian Environmental Protection Act was trumpeted as the toughest law in the western hemisphere, yet fewer than 3 per cent of companies were charged after being caught breaking the law. There is only one lonely inspector for all of Ontario and yet the Tories will hire 4,000 people for the GST. Clean-up of the Great Lakes gets a paltry $25 million this year while the GST gets $111 million, part of a $1.5 billion total.

The IJC says the health of our children is threatened by exposure to even low levels of toxic wastes in the Great Lakes and yet the minister of health says more study is needed. Canadians are demanding strong, tough national action that puts the environment first.

* * *

SOCIAL BENEFITS

Mr. Dave Worthy (Cariboo—Chilcotin): Madam Speaker, people in my riding, as so many others in Canada, have a high unemployment rate. Special assistance and training are the best means for these people to get ahead and to create the lifestyle that they and every other person in Canada deserve. Five months ago the federal government sought through Bill C-21 to provide for better adjustment measures and more training and support and all in all, a fairer UI system.

This assistance which is needed and necessary cannot wait. I ask all members to do what they can to speed the passage of this bill through the other House.

PENITENTIARIES

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, on Friday a comprehensive study of the treatment of female offenders was released. The report of the Task Force on Federally Sentenced Women is the fourteenth report to recommend the closing of the Kingston Prison for Women.

Canada's prison system discriminates against women. Minimum and medium security prisoners are locked up in Kingston's outdated, inhumane maximum security facility.

I have been there and have seen the deplorable conditions. The prison cuts women off totally from the outside world. Some live literally thousands of kilometres from their families, making it all the more difficult for them to reintegrate into society.

Some of these women have small children. They are allowed only one 15-minute phone call per month to their kids. Inmate after inmate has committed suicide. The 1970 Royal Commission on the Status of Women also recommended the closure of this prison.

I urge the government to finally listen and to shut down the Kingston Penitentiary for Women.

* * *

TRADE

Mr. Ross Stevenson (Durham): Madam Speaker, there was good news for all of Canada last week, resulting directly from our free trade agreement with the United States. On Thursday the president of Proctor and Gamble announced the company's plans for rationalizing its production to serve the entire North American market. As a result, 200 new jobs will be created in the company's plants at Hamilton, Belleville and Brockville in Ontario, and the once threatened jobs of 140 employees at Pointe Claire, Quebec, are now preserved. As well, $11 million will be spent on plant renovations and new equipment. Exports of these products to the United States will have an annual value of $53 million.

The president stated:

> This development can be attributed in large part to the new trade environment between Canada and the United States. Free trade has given the company a better environment in which to make long-term plans and we are confident in a free environment and we can do better.

Madam Speaker, this is very good news—

The Acting Speaker (Mrs. Champagne): I am sorry, the hon. member's time has expired. The hon. member for Glengarry—Prescott—Russell.

* * *

[*Translation*]

PERLY BRIDGE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Perley bridge between Hawkesbury, Ontario and Grenville, Quebec, clearly must be replaced. The bridge was built in 1931, and the subject was first raised 15 years ago when the then Minister of Public Works said that a new bridge should be built.

According to a report published in 1986 by the engineering firm McNeely and Boileau, the bridge was already obsolete and should be replaced within five years. So far, however, no agreement to that effect has been signed by the federal government and the province. Worse, Treasury Board has yet to allocate funding for holding the government hearings that are required before a new bridge is built.

Mr. Speaker, I appeal to the Government of Canada to ensure that a federal-provincial agreement is signed very shortly on replacing the Perley bridge. I also want to take this opportunity to ask the President of the Treasury Board to at least allocate the necessary funding for the environmental assessment which is compulsory before the Perley bridge can be replaced.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance.

Before the Minister of Finance introduced his budget last February, the Prime Minister said that interest rates would start going down after the budget was introduced. This has not happened. They have kept going up. In fact, last Thursday the Bank of Canada raised its rate to 13.77 per cent. This caused the banks and mortgage companies to increase greatly the rates for consumer loans, business loans and for mortgages.

Why has the minister allowed these rates to go up when he should know what a disastrous effect this is having on Canadian consumers, businesses and workers? Why is he allowing this to happen?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, first let me point out that, as is normal, what the Leader of the Opposition said about the Prime Minister's statement is a distorted.

Some hon. members: No.

Mr. Wilson (Etobicoke Centre): The hon. members opposite say no. I suggest they read it, and read it carefully, and they will understand precisely what I have just said.

The question that the hon. member asked should be put in a somewhat different way. If we do not take these actions today, if we do not deal with the inflation problem today, and if we let the inflation problem get out of control, what will happen a year or two down the road when the problems will be far, far more serious than if we did follow that course? We will be looking at higher interest rates. We would be getting right back into the mess that the hon. member presided over when he was part of the government in 1981–82 when we had the worst recession since the 1930s.

An hon. member: You are creating it.

Mr. Wilson (Etobicoke Centre): That is what we are trying to avoid with the policies we are following today.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Finance should realize that it is his own tax increases—over 32 tax increases since this government took office—that have been creating the inflation he claims to be concerned about. If he is so concerned, why is he causing it through his own tax policies?

More specifically, does he not know that his high interest rates are helping to drive up the value of our Canadian dollar, something that is having a disastrous effect on export industries which are the corner-stone of the Canadian economy?

Some hon. members: Shame, shame!

Mr. Gray (Windsor West): I ask the minister again, why is he allowing our interest rates and the value of our dollar to be so high? Why are he and his government leading the country into a recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what we are trying to do now is to avoid leading ourselves into a recession by dealing with the inflation problem today.

I am sympathetic. I understand the concerns that people in the export business have about the level of the dollar. I understand that. I also say to them that if we ignore the problem, as did the government that he supported in the early 1980s and the late 1970s, the problem for the manufacturers and exporters in the country will be far more serious. That is precisely why we are following the policies we are following today. If we do that, we will go through a difficult period now. But the future will be far brighter than a future where we damage our competitive position on a permanent basis and in a far more serious way than has been the case by what we hope is a short-term higher level of interest rates than either my hon. friend or I would like to see. The problem is that we have to deal with this problem today.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Canadian Exporters' Association says that the minister's high dollar and high interest rate policies have already damaged severely the competitive position of Canadian exporters.

• (1420)

After the interest rates went up last week, Mr. James Taylor, President of the Canadian Exporters' Association said: "It's more bad news." If the minister was providing a message that was so acceptable and understandable by Canadian business, why would the Canadian Exporters' Association call his policies more bad news?

[*Translation*]

Mr. Speaker, last week's increase in interest rates penalized small business and all consumers and may drag the Canadian economy into a recession. Once again, I want to ask why the government insists on wanting to create a recession. When will the Minister of Finance put a stop to this policy and start reducing interest rates in order to avoid the disastrous impact the policy will have on our economy?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have listened to what people like Mr. Taylor said about the current policies of the government. But if

we ignore this problem today, the problem will get out of hand because inflation pressures are rising.

We had a 4 per cent inflation rate in 1988. We had a 5 per cent inflation rate in 1989. For the first part of this year, it has been in the 5.25 per cent or 5.5 per cent range. Unit labour costs rose at 6.3 per cent last year and, in the last quarter of 1989, at 6.9 per cent. So it is a problem that we have to deal with.

The hon. member is frowning in wondering about this high interest rate policy. I remind him that, when he and I sat together with Mr. Morton Shulman side by side, Mr. Shulman asked my colleague what would he do if interest rates continued to go up. Would he resign? The hon. member for Windsor West said: "Yes, I would resign." That was in early February of 1980.

What happened? Interest rates went to 20 per cent to 25 per cent. What did he do? He stayed right in his place in the House. He did not resign. He was just playing politics.

Some hon. members: Hear, hear!

* * *

NATIONAL DEFENCE

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, my question is directed to the Minister of National Defence.

I would like to ask the minister what initiative he has taken in light of the three CF–18 crashes in the last week?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I thank the hon. member for his question and his tone.

We have suspended operational training in Canada until 900 hours on April 25. During that time, the Commander of Air Command, the Commander of Fighters, the Commanders of both Bagotville and CFB Cold Lake, and the squadron leaders will be meeting with regard to the process and recommendations that can be made to the minister to ensure the security and safety of the men and women who fly on behalf of Canada.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, there is a perception out there in the Canadian public that there is something terribly wrong either with the CF–18 or the manner in which it is flown.

I have a supplementary question for the hon. minister. Would the minister consider getting together a "tiger–team" of experts to gather up all the information that is available about the previous CF–18 crashes, putting it under a microscope, getting in the room with the microscope, and staying there until we come up with the answers as to precisely what the reasons are for these tragic losses and the remedial action that should be taken.

Also, would the hon. minister consider making this information available to the Canadian public to address their concerns in a timely manner, and keeping at least the training flights of the CF–18s grounded until this occurs?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the "tiger–team" my hon. colleague suggests would be a team that is made up of squadron leaders, base commanders, and those involved in instruction in CF–18 Air Command.

The process that will be undertaken over the next 48 hours will arrive at a conclusion. When that conclusion, based on the best of military advice, has been communicated to me, I will inform the House, the hon. member, and the Canadian public. The hon. member knows as I do that there is no one more concerned about the safety of the men and women who fly than the Commander of Air Command, the squadron leaders, and those men and women who serve with them.

Everything that can will be done to identify what may be a shortcoming in the realism that we use today which may have crossed the line of safety. The Air Command has instituted that type of study. There will be a report by the end of May and when we have concluded these reports I will communicate to the House and to the hon. member.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question as well is directed to the Minister of National Defence. Certainly my party wants to express our sadness and deepest sympathy to the families who have lost pilots in recent crashes in Canada.

I appreciated the minister's response to the previous question, but there are a number of outstanding questions about the computer systems, possible cutbacks to training, and the purchase. There are a number of

questions about the whole issue of the CF-18s. Would the minister go beyond having an internal inquiry and have a full public inquiry on the CF-18s and their safety?

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I am pleased to be able to address some of the outstanding questions.

There has been the allegation that there has been a reduction—some have suggested by 3 per cent—in the hours flown by CF-18 pilots. That is not accurate. What has been reduced is the number of pilots who are flying. Therefore, the reduction of 3 per cent does not affect fighter pilots and their ability to train.

I am not aware of the problems of the purchase that the hon. member has mentioned. There is a full review done by the standing committee whose responsibility this is over the lifetime of the purchase. This purchase was undertaken in 1979. The Hon. Allan McKinnon was the member responsible for the Department of National Defence when I first recall discussions on CF-18s. We have rectified some problems that were identified. We have communicated with McDonnell Douglas. We have suspended the shipment during the purchase time until some faults that had been identified were corrected.

Again, I say to the hon. member that there is no one more concerned about the safety of the men and women who fly on behalf of Canada than the Air Command, the Fighter Command leaders, and the squadron leaders.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of National Defence. I am sure that the Minister himself is also concerned about safety and I would not in any way suggest that he is not, nor are the members of our Armed Forces.

But I am also told by my colleague that there has been no reference to the standing committee in six years to discuss the CF-18s. We know that there are double the number of fatalities and accidents in Canada with the CF-18s than there are in the U.S. with the same planes.

[*Translation*]

My question is for the Minister of National Defence. These fighter planes are dangerous; that is obvious. People have died, lives are in danger. Will the minister announce today that he will immediately cancel low-level tactical training flights of these planes until a public inquiry is held on the CF-18s and the accidents in which these fighters have been involved?

[*English*]

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, the moratorium is on operational training which will take place in Canada. That moratorium is for the next 48 hours until 0900 hours on April 25.

The hon. member suggests that there has been no scrutiny by the standing committee of the purchase of the CF-18s. The standing committee does the Estimates every year and has every opportunity to ask questions of the minister and the department. The standing committee is the master of its own destiny and can decide what it will do and when it will do it.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of Defence. I would hope then, as the minister has outlined, that the standing committee will review the CF-18s and support a public inquiry.

There is another much larger issue. Canada continues to spend millions of dollars building such things as forward operating bases in the Northwest Territories, the need for which has disappeared as has the need for Cruise missile testing and low-level attack training.

Will the minister admit that now is the time for the government to open up to full public inquiry not just the question of the CF-18s but our full defence policy in Canada? We know the 1987 White Paper is outdated. Is it not time now for a public inquiry into the whole defence policy for Canada?

• (1430)

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, all members of the House recognize the geopolitical change that is taking place in the world and we all welcome it. Some of us may not be as confident as the hon. member that the instability that we see today, caused by these changes, can best be addressed by all of us carrying an umbrella and saying that peace has been declared.

PRESENCE IN THE GALLERY

Mr. Speaker: I wish to draw to members' attention the presence in the gallery of the Hon. Elizabeth Dole, United States Secretary of Labour and the Hon. Robert Dole, United States Senate Minority Leader.

Some hon. members: Hear, hear!

Mr. Speaker: I wish also to draw to members' attention, the presence in the gallery of His Excellency, Mario Machungo, Prime Minister of the People's Republic of Mozambique.

Some hon. members: Hear, hear!

* * *

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, this morning in a public forum the former Secretary General of the Brundtland Commission said:

> When I hear we are world leaders on the environment, I cringe with embarrassment.

It is no wonder that tens of thousands of Canadians felt they had to demonstrate in defence of the earth yesterday. The government has acted only seven times to charge polluters under the Canadian Environmental Protection Act since it was passed.

When is the Prime Minister going to take change of a divided cabinet and set some national direction on the environment?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, any divisions in the Liberal Party I cannot take responsibility for.

I can speak, however, for a strong, united cabinet and government behind a Minister of the Environment whose record was approved by Mrs. Brundtland.

My friend referred to the Secretary General of the Brundtland Commission. She should refer to the Chairman of the Brundtland Commission, the former Prime Minister of Norway, Mrs. Brundtland, who said that Canada's record in the environment was one of which all Canadians should be proud.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my supplementary question is to the Prime Minister. He is obviously not aware that Madam Brundtland very recently said it was time for Canada to act instead of just talk.

The minister of energy says we have to wait for international action before we move on emissions reduction. The Minister of the Environment says the price of inaction is too high to wait. Now, which of these ministers speaks for the cabinet? Will the Prime Minister tell us which of these ministers is expressing the environmental policy of his government?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I would be happy to look at any quote that my hon. friend purports to have from Mrs. Brundtland. I may read an official statement by Mrs. Brundtland. When she was Prime Minister and chairman of the UN commission, she noted and I quote: "There is the leadership role that Canada plays in international affairs and, in particular, in the ongoing international work to achieve sustainable development—We did have a hard time on the commission and we were very fortunate to have the complete support and leadership of the Canadian Government".

I would also draw to my hon. friend's attention a statement by Foreign Minister Shevardnadze, last December, who said that "Canada, however, was one of the first to place questions of environmental protection on the international agenda and has achieved remarkable successes in this area".

All international leaders recognize that while our record is not perfect, it is one of which all Canadians should be proud, and I think all Canadians are, except certain people in the Liberal party.

* * *

[*Translation*]

ATLANTIC FISHERIES

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is for the Minister of Fisheries.

Last week, the minister made most insulting statements about Atlantic fishing communities to the effect that the workers and fishermen use fishing only to qualify for unemployment insurance.

Is the minister prepared today to take this opportunity to apologize to these communities and to withdraw these most offensive remarks?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I am not surprised that a Liberal rises in the House to express indignation when someone talks about unemployment insurance. Those people left the Atlantic region, like Newfoundland, with an unemployment rate of 23 per cent when they left power in 1984. Today we have got the rate down to around 18 per cent. It is still too high, we want to do more and we are disgusted with those who want to encourage the defeated politicians in the Senate to try to block a bill which would provide training for our Atlantic workers so they can earn a living like everyone else.

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my supplementary is directed to the Prime Minister. A minister who, in addition to wanting to close down the fishing industry, insults the fishing community certainly no longer deserves their respect.

Will the Prime Minister apologize for the insulting remarks of the Minister of Fisheries—who has just repeated them, incidentally—and will he ask for the immediate resignation of that minister and appoint a new minister who will restore peace in the fishing sector instead of stirring up trouble?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I will be pleased to give the hon. member a copy of my Halifax statement to the people of the fishing industry.

He is trying to make the residents of the Atlantic provinces believe that the government wants to keep people on the unemployment insurance rolls. What I said in Halifax, and I do not apologize for my remarks, is that in the past and particularly under the previous administration the only option left to the people of the Atlantic provinces was to be unemployed.

Well, I know the people of the Atlantic provinces, Mr. Speaker, they are brave and they want to work.

Mr. Robichaud: You do not know them very well!

Mr. Valcourt: There he goes again, he thinks they are lazy. Mr. Speaker, members opposite seem to think that the residents of the Atlantic provinces should be quite satisfied with drawing unemployment benefits. What I said, as the royal commission of inquiry had stated in Newfoundland, is that our system has let down the people of Atlantic Canada and that we want to correct the situation but not on the backs of the fishermen!

[*English*]

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of the Environment. Apparently in celebration of earth day, the Minister of Energy said that Canada would have to ban cars in major cities to meet national standards for cutting air pollution. The minister of energy has rejected Canada's international commitment to reduce emissions of greenhouse gases, a threat described by the Toronto conference as one greater than that of nuclear war, and rejected a report that found that every man, woman and child in Canada could save $5,000 in energy costs while reducing emissions of the greenhouse gas carbon dioxide.

Will the Minister of the Environment today, following Earth Day, take this opportunity to revoke and reject those dangerous and false points of view put out by his colleague and implement now those steps that the minister knows are cost-effective and available now to reduce greenhouse gas emissions in Canada?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, my colleague, the Minister of Energy, Mines and Resources and I had the pleasure and the honour to attend the White House conference on the environment last week. The minister of energy and I were together when I made the commitment in front of the conference that Canada would include targets and schedules to reduce CO_2 emissions in *The Green Plan* next fall.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary is to the same minister. I take it that he accepts the three statements that have been made publicly by his colleague which will not warm the hearts of the majority of Canadians.

During the celebration of Earth Day over the weekend, many British Columbians protested federal policies which allow our ports and coastal waters to be used by nuclear powered and nuclear armed vessels. Since the United States plans to use and access Back Island in Alaska, making use of Canadian waters, will the minister launch a full environmental impact assessment into the health and safety potential impacts of an accident from one of these vessels on Canadians, or does the minister

view this as an issue less serious than that of oil tanker safety?

• (1440)

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the hon. member frequently in this House has made statements designed to create alarm on the west coast and elsewhere about policies with respect to the United States.

There are discussions with the United States with regard to plans that they might have concerning transit of their vessels in our waters. We are monitoring those discussions. We are making sure that Canadian interests are taken fully account of, and we are certainly going to ensure that Canadian interests are protected, including Canada's interest in being part of an effective international defence alliance of which port visits are an important part.

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FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I also have a question for the Minister of Fisheries. He seems to be under some confusion as to what he said in Halifax and I will tell him. I have got the transcript. He said: "They, fish plant workers and fishermen, will all work for 10 weeks and then sit down for 42 weeks". He said in Halifax: "All they got going for them is enough patience to qualify for UI". That is what he said. I want to tell him something else. In Rose Blanche as an example, 147 fishermen caught 4 million pounds, Prime Minister, in three months—

Mr. Speaker: I would ask the hon. member to put his question.

Mr. Simmons: As I was saying, they work for 12 months in Rose Blanche and elsewhere, not 10 weeks.

How does the minister square his silly statement with the facts? The only sin of those people is that they want to work year round, which they could do if his government had the guts to drive the French, the Spanish and the Portuguese out so they could catch the fish.

An hon. member: What was the question?

Mr. Simmons: How does he square the two?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, it will give me great pleasure to give the hon. member a copy of my speech.

Mr. Simmons: I have it.

Mr. Valcourt: Well, I think you will need a good researcher. I have never said that.

Atlantic Canadians have been listening to these people in the last few weeks. What people in Atlantic Canada are telling us is that the fishery is an important part of our heritage and our economic life and people want to keep fishing. The fishermen and the plant workers should have the chance and should be given the ability to develop this trade as a skilful one by which they can earn a decent income.

In the past we have seen other branches of government at all levels, municipal, provincial and federal use the fishery as the scapegoat for all the economic problems. I say as the representative of the fishing industry in Atlantic Canada that we in the fishing industry are tired of being the scapegoat for others and we will not endure it any longer.

Hon. Roger C. Simmons (Burin—St. George's): The minister can squirm and twist all he wants. He said: "I never said it". This is a transcript of the question and his answer and I tell him he said it. He said that they want to sit down for 42 weeks—

Some hon. members: Question!

Mr. Simmons: I can't let him mislead the House, Mr. Speaker.

Mr. Speaker: I am sure that no members would want to mislead the House. I notice that the hon. member has certainly not said "deliberately", but I would ask the hon. member to put his question.

Mr. Simmons: Mr. Speaker, I have a very simple question for the minister. After his two weeks of homework and field-tripping across this great country, is this the result? Is his decision and strategy for dealing with the crisis and the disaster in the Atlantic fishery that he is going to kick those people when they are down? Is that his response, or is he going to recognize that those people have been working year-round until this government's policies made them sit at home because there are no fish left to catch? Is he going to come to their rescue with an aid program and then get on with flicking out the foreigners before they take all of our fish?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I would suggest that the hon. member go back to his own riding and talk to the people in Gaultois—

Mr. Simmons: I did, two days ago.

Mr. Valcourt: —and ask them if this is what we are doing. We have introduced measures in Atlantic Canada to help these communities and these people. The difference is that this government will not impose anything on these people. We will get them to be the architects of their own development by participating in it. We are going to be helpful, that is what we are going to do.

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AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is to the Minister of Agriculture. It is almost a month now since the minister announced an aid program both for western farmers and farmers right across the country who are facing serious financial difficulties. Saskatchewan farmers face an 87 per cent reduction in net farm income this year. Seeding is about to begin in many parts of the prairies. I wonder why the government has set up such a complicated formula for getting assistance to these farmers in such a cynical way. Why has the government set up a formula which is not getting the money to the farmers now when they need it?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, of course we are eager to get assistance into the hands of the farmers, particularly for seeding time. The hon. member might do well to encourage his friends in the provincial governments across the country to join with the federal government in putting together a comprehensive program because that has been our style.

We have been working very closely, because agriculture is a shared responsibility between the two levels of government, and that is indicative of a process that we are going through in terms of a very comprehensive review in respect of agriculture policies in the future.

Our five-point program is on the table, $500 million is there, and we are asking the provinces to help in the process to provide this kind of interim support that our farmers need at this particular time so they can get their crops into the ground.

Mr. Maurice Foster (Algoma): Mr. Speaker, surely enough the minister has put the money on the table. The problem is that many provinces cannot afford to match those funds. The money is desperately needed, not in July, not in September, not in November, it is needed now.

Is the minister prepared to pay out that money from the federal government right now because it is needed for the seeding across the west and in other parts of the country, without waiting until the provinces work out a very complicated process?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I want to assure the hon. member that progress is being made. It is not all negative as the hon. member suggests. Discussions are going on at the official level and at the ministerial level.

It is interesting to note that some of the provinces are coming through with balanced budgets. I think the hon. member may want to reflect on whether they have the ability to support. If agriculture is important to the provinces such as Saskatchewan, Manitoba, Alberta, and others, then they should be in a position to support it as we have and as we are as a federal government that has stood behind the farmers in good times and bad times. We are there today and we will be there tomorrow.

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, my question is for the Minister of Agriculture. In addition to the problems which my colleague from Algoma has put before the minister, the minister has been quick to tell the farmers that there were three very recent hikes in Farm Credit Corporation interest. The farmers are still waiting for any kind of word as to when they will receive the federal funds in this emergency program.

Can the minister tell us if he has reached any agreement with any of the provinces and when will those cheques be in the hands of the farmers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, as I indicated, the discussions are ongoing and a number of the provinces have indicated a willingness to participate with the federal government. We have indicated, in turn, that we would be very

flexible in terms of giving the provinces credit for programs that they have come up with that will help in bringing the income level of the farmers up for the very disastrous year that we face in 1990.

Our money is on the table, it is ready to be there as soon as we can finalize the respective agreements with each of the provinces. It is a multifaceted problem. There is a different range of problems in each of the provinces and as we develop agreements on those, the money will be available, I can assure the hon. member.

• (1450)

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, the minister knows that the federal contribution in itself is inadequate. Consequently, there is a need for more money and a need for money out there right now.

The farmers are already in the fields. They are already planting in southern Saskatchewan, even as far north as Saskatoon.

Will the farmers now have to wait while there is more federal-provincial wrangling to even receive this minimal assistance? Why does the minister not pay out the money that he has available and do his bickering with the provinces later?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, we felt it was important from the standpoint of the federal government to come forth and indicate our willingness, in the form of a five-point very comprehensive program, to assist agriculture in the difficulties that it is undergoing at the present time.

In addition to that, as the hon. member knows, with respect to a future comprehensive safety net program, there is an important review that is taking place in that regard. We expect our first report by this particular committee by the end of April. We hope that will provide the basis from which we can establish a new comprehensive safety net program.

In the meantime, this money and the other proposals that were advanced in our announcement at the end of March, are available. We want to work very closely with the provinces and we are.

I can assure the hon. member that our discussions are ongoing. I met with the Minister of Agriculture from the province of Alberta a couple of days ago. We will be meeting with Manitoba. Discussions are ongoing with Ontario. I can assure him that we consider this to be a very major priority. We want to get the money into the hands of farmers as soon as we possibly can.

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BILL C-21

Mr. Dave Worthy (Cariboo—Chilcotin): Mr. Speaker, my question is for the Minister of Employment and Immigration. There is a growing concern by my constituents and people right across Canada about the fate of the many good programs that we promised in Bill C-21, the many training and adjustment programs that are so sorely needed right across the country.

Will the minister give us the status of that bill and indicate when she feels we will be able to deliver on those promises to my constituents.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, as the hon. member knows, it is over a year since we introduced this important piece of legislation which is part of our ongoing commitment to labour adjustment and training that has been a part of our agenda since 1984.

There are many things which I would like to be able to deliver to the hon. member, his constituents, and the constituents of all of us in this House. These include $350 million per year, ready to be spent on training for UI recipients; further assistance for welfare recipients, something which is very important for urban members particularly; increased allowances for those who are already being trained; a one-third increase which is ready for the Community Futures Program which is important for the hon. member from Newfoundland; $100 million which is ready to go to older workers and there is more assistance ready for co-op education and apprenticeship.

I realize that these programs are not only important to the people in the House, but the majority of Canadians approve of the direction in which we are going with unemployment insurance.

We were elected to the House not to watch things stand still, but to do better things for Canadians. I am very anxious to see that too.

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SCIENCE AND TECHNOLOGY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is directed to the Minister of Industry, Science and Technology. On April 14, his colleague, the Minister of Supply and Services, was quoted as saying that in acquiring the British firm Plessey and thus Canada's Leigh Instruments, General Electric and Siemens, "failed to show any regard for their obligations to their employees in Canada".

Would the minister tell the House why financial conditions were not imposed by Investment Canada to protect Canadian workers prior to approving the indirect acquisition of Leigh?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, first let me say that Canada has always welcomed new investors and will continue to do so. We believe that it is responsible for a lot of job creation in this country. Unlike what the former government did we believe that we can be helpful. Once again we welcome those investments.

What happened with Leigh Instruments is that it was the subject of a takeover in 1988 by Plessey. It was a takeover well accepted by the company because it opened markets and new technology for the company, particularly with Micronav Landing System.

The latest takeover in 1989 by the General Electric Company has been made out to be an indirect takeover. It was done in a way that Canada could not do anything about at that time. To link that to the fact that Leigh Instruments had to declare bankruptcy last week is false. I prefer that my friend wait for the report by the trustee to know exactly what the cause of the bankruptcy is.

Mr. John Manley (Ottawa South): Mr. Speaker, Canada's willingness to welcome foreign investors in the circumstances has to be questioned when some of our best firms are being scooped up by foreign buyers and stripped of their technology and their cash.

The question from a policy point of view is this: Why is the government permitting foreign buyers to clean out strategic high technology firms like Leigh Instruments of their cash and of their intellectual wealth, leaving Canadians out of work and Canada out to lunch in the field of high technology?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I never trust Liberal policy in terms of investment and I will not start today. We know exactly what it gave in 1982, 1983, 1984. My friend is wrong. The Plessey takeover was good and was requested by Leigh Instruments for new technology. The best example, Mr. Speaker, is that Micronav got the contract about MLS because they had the expertise and technology of Plessey. If it is a bad deal we should have had that kind of deal 10 years ago; it would have been better for Canada.

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TRADE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, in the absence of the Minister for International Trade I have a question for the Minister of Agriculture. I have confirmation from industry sources that a large Toronto-based vegetable oil refinery has purchased 10 million pounds of subsidized soya bean oil from the European Common Market.

In view of the fact that Canadian supplies are adequate, Ontario soya bean processing plants are running at less than capacity, and some western oilseeds plants are shut down, can the minister advise this House what action will be taken to stop this dumping and to protect the Canadian-based oilseed producers and processors?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I would have to look into that and perhaps the hon. member would allow me to take that question as notice.

Mr. Speaker: The hon. member for Lambton—Middlesex, a short supplemental.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, in view of the fact that Spain has imported the soya beans from Brazil, United States or Paraguay, processed them and used the meal as a protein supplement in livestock and poultry feeds and yet are exporting the oil to protect their own olive oil industry, can the minister assure this House that those beans were not produced using pesticides, herbicides and chemicals that

are banned in Canada and could create a health hazard for Canadian consumers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it seems to me that the question has an undertone of a lot of allegations which I would want to check into very carefully. I am sure the hon. member would not want to leave the impression that there are some allegations which may or may not be substantiated.

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FUNDING FOR WOMEN'S CENTRES

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, my question is for the Secretary of State. In 1987 his government endorsed the Fairness and Funding report of the Standing Committee of the Secretary of State. This report recommended operational funding for women's organizations. After he left his meeting last week with women's centres representatives, his under-secretary called the Fairness and Funding report a worthless piece of paper.

Does the Secretary of State agree with his deputy's analysis of a government-endorsed report and, if so, what other government-endorsed reports are also worthless pieces of paper?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I accept neither the premise nor the hypothesis of the question.

• (1500)

A meeting was held between myself and representatives of women's centres from coast to coast. It was a very good meeting. Together we have agreed to try to work out a process for a future for the women's centres in partnership, of course, with the provinces and with others who may have a strong interest in the matter. I believe they understand very clearly what the reality of the current situation is: that there is less money now available. That is why core funding was discontinued. We have agreed to get back to them as early as possible after we have had a thorough review of the suggestions we are looking at together.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the Secretary of State indicated that he discussed with these women a process for funding women's centres. In the meantime, centre after centre is locking its doors and closing down. They are unable to help the women coming to them for information and referrals for battered women.

When is the Secretary of State going to ensure that these women's centres that are now closed will be opened and continue to serve the needs of women in this country?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, the process is well under way. The meeting I was privileged to participate in went very well. From what I understand the representatives of women's centres appeared to be pleased as well.

I do not preclude that the people working in women's centres may not be desirous of putting in applications right now for project funding, which is available. If applications are completed right now, we will be very helpful in seeing that they are expedited, and funds for projects can continue to roll even while we examine whatever process they want me to look at.

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PRIVILEGE

HOUSE OF COMMONS STATIONERY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise on a point of privilege on a matter that I brought to the attention of the Chair last week. Mr. Speaker, you will recall that on April 18, 1990 I wrote to you concerning what I believe to be a matter of privilege. On that date a story appeared in *The Toronto Star* alleging that a letter printed on House of Commons stationery signed by someone who is not a current member of the House of Commons had been circulating in the United States and some 100,000 copies of this letter had been sent to a number of American citizens.

Upon verification, I did obtain a copy of the material in question and I will take a moment or two to summarize it for the benefit of the Chair.

I want to say at the outset—

Mr. Andre: Point of order.

Mr. Boudria: Since when does a point of order—

Mr. Milliken: A point of order does not take precedence over a question of privilege, Harvie. Learn the rules.

Mr. Speaker: The hon. Government House Leader.

Mr. Andre: Mr. Speaker, I do not want to interfere with a legitimate point of privilege.

An hon. member: Sit down.

Mr. Andre: Mr. Speaker, as you are aware, as I am aware and as the hon. member is aware, Mr. Stewart, upon hearing this accusation faxed a letter—

Mr. Speaker: First of all, I think I should tell the hon. member for Glengarry—Prescott—Russell that probably I have the material to which he is referring. In all fairness, except for the letter I have not heard the point of privilege set out. If the hon. member is referring to a text I will continue to hear him.

I do want to say this to the hon. member. The content of the letter does not concern me because various members may have different views of this. A letter could be sent that all members would think is completely appropriate. The question is whether or not it is appropriate to send it out, or for somebody to send it out, apparently under the guise of House of Commons stationery. That is the point.

I know what the hon. House Leader is getting at. I do not think at this stage it is appropriate to bring into the discussion any reflection on the former hon. member. The point I have to decide is whether whoever put this out has done something which breaches the privileges of the House.

Mr. Boudria: Thank you for your assistance. Perhaps the Government House Leader can listen attentively and then will find out what I am saying and who I am accusing and not accusing. For anyone to come to that judgment before I speak is somewhat premature. But, of course, he wouldn't know that.

First of all, let us review the definition of privilege. As Mr. Speaker will know, parliamentary privilege according to Erskine May's twenty-first edition, page 69 is stated as being:

> —the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament, and by Members of each House—

At issue here is whether or not there has been an offence against the House or against any member of Parliament individually. Of course, the House itself enjoys privilege as well as individual members. I do think that this is an important point to raise at the beginning of this discussion.

It is not my intention to comment on the content of the letter in question. What I want to bring to the attention of the Speaker is the form of the letter. I have brought this to the attention of the Speaker and I do believe I have given him a copy of the letter. If not, of course, I am willing to provide a copy of the material immediately at the conclusion of my remarks.

Basically described, the material is as follows: it has a letterhead of the House of Commons and the Arms of Canada. At the top, left-hand side is an inscription which states, "Ronald A. Stewart, M.P., Simcoe South". On the right-hand side is: Parliamentary Secretary to the Minister of Supply and Services. Carrying on to the signature block of the letter it states: "Ron Stewart, M.P. (Ret)".

Mr. Speaker, that is perhaps the first point that we should discuss. There are a number of points and I intend to be brief. The Oxford American Dictionary, 1982 gives three meanings for ret., retain, retire or return.

The point I am making to you, Mr. Speaker, is that there is at least a difference between the signature block and the top of the letter in question. That difference is attributed by a spokesperson on behalf of the group known as English First to the fact that they themselves superimpose the House of Commons crest inscription along with the indications at the top of the letter on material already provided to them by Mr. Ronald Stewart.

I would like to draw a parallel for a moment so that all members of this House understand. If, for instance, a group in Canada, say the Alliance for the Preservation of English decided to use the Arms of the President of the United States in material that it was circulating here in Canada, I am sure that we would hear of it and I believe rightfully so, just as we are, rightfully in my opinion, raising this issue today. First there is the issue of the member of Parliament, Ret. I do not believe that it is the custom in this country, and perhaps you can verify it, as to whether or not there is a precedent for using the term Member of Parliament, Ret. After all, as I indicated in my correspondence with Mr. Speaker, the Right Hon. Secretary of State for External Affairs does not describe

himself, that I have ever heard, as the Prime Minister Ret., even though at one point he did hold that position.

Mr. Speaker: May I interrupt the hon. member for a moment. Not to take anything away from the cogency of his argument, but the hon. member is inviting the Chair to look at three different definitions of the abbreviation.

I have to say that unless there was some very cogent evidence indeed, I would take the view that that meant retired, unless the hon. member has some other strong argument. The difficulty again is that I would like the hon. member to stick to the basic story. Then what I have to decide eventually is if there is sufficient *prima facie* evidence to put the very kind of question to a committee. Hon. members will realize that it is not the place of the Speaker to delve into all the intricacies of what might eventually be a proposition of evidence or an argument on it.

• (1510)

Mr. Boudria: Mr. Speaker, let me move on to the next point that I want to bring to the attention of the Chairman.

First of all, Your Honour will recall that on May 6, 1985 there was a case which was decided upon by Mr. Speaker at that time, wherein an ad had been placed in a newspaper in Toronto by someone acting on behalf of another individual who no longer was a member of Parliament. About this particular ad the Chairman ruled—I read from Hansard of May 6, 1985 at page 4439:

> It should go without saying that a Member of Parliament needs to perform his function effectively and that anything tending to cause confusion as to a Member's identity, creates the possibility of an impediment to the fulfilment of that Member's functions.

If that argument applies to a member of Parliament individually, then I suggest that it apply similarly to the House collectively. I read further from Mr. Speaker's decision at that time:

> Any action which impedes or tends to impede a Member in the discharge of his duties is a breach of privilege.

That was the decision with regard to that case, which was ruled on by Mr. Speaker on May 6, 1985.

I want to bring two more matters, very quickly, to the attention of the Chairman. First, Section 80 of the Parliament of Canada Act makes it against the rules for anyone to call any kind of a business establishment "Parliament Hill", the implication being that you cannot associate something with this Parliament when it does not have anything to do with this Parliament.

By extension, the group in the United States, by utilizing the material in question for promotional purposes in that country, I would suggest what it is doing is inappropriate.

There are two more issues that I want to bring to your attention. One is the fact that a spokesperson, acting on behalf of English First, stated with regard to the use of the title block that I have just described, and the signature of the former MP in the following way: "It certainly gets the point across that this is a legitimate Canadian spokesman who has an important message."

Even the people who put this message together in the United States were doing so to let people believe that someone in Canada in an office of authority was responsible for getting this message across.

When information is disseminated in this manner, either in Canada or abroad, by someone who is not a member of Parliament but who is, as he described himself in one section of the letter, "Member of Parliament, Ret.", or if one looks at the letterhead—granted, some people have admitted that they superimposed this—the implication is that this House or a member of this House either, while in office or after being out of office but still with the use of the letterhead and therefore claiming to have something to do with this institution, then I believe that all the privileges of members of Parliament and this House have been affected by what has happened.

There is a further matter, and that is the matter of the envelope in question that was utilized, wherein the Coat of Arms of Canada was employed without the inscription "House of Commons." That could be an issue involving the law rather than this House, so I will not discuss it any further except to state that I hope that the Secretary of State, who is responsible for the keeping of the Coat of Arms of Canada, will address that issue, because after all, he is the custodian of it.

Also, the Minister of Consumer and Corporate Affairs should be made aware of the provisions of the Trademarks Act, which prevents the utilization of our Coat of Arms for anything else than official government purposes.

In conclusion, Mr. Speaker, I want to express to you that if you deem that there is a *prima facie* case of privilege in this case, with the information that I brought

to the attention of the House today, and with the information provided in correspondence last week, that I am prepared to move the appropriate motion.

There is just one final point that I wanted to bring to the attention of the Chair. The *House of Commons Members' Manual*, chapter H-3, page 13, dated November, 1988 states the following about the unauthorized use of parliamentary stationery, and these are instructions for members of parliament who are retiring.

> In order to preclude the unauthorized use by others of official materials, (e.g. stationery containing the Members's letterhead) supplied to Members by the House, former Members are advised to safely *dispose* of such material after the election.

This is the *House of Commons Members' Manual* from which I just quoted.

The individual in question, Mr. Ronald Stewart, is quoted by the media as stating that he had a "hunk" of this material and that there was nothing against the law in him using it. Well, the House does not concern itself with the legal aspects, but with whether or not our privileges are affected by someone who may use such material later.

I suggest to you that, notwithstanding any law, instructions are quite clear to former Members of Parliament that they are to dispose of such material. Hence, it should not be used either by them or by any other person acting on their behalf, wilfully or otherwise.

I want to thank the House for its indulgence in allowing me to bring this matter to the attention of all Members of Parliament. I close by saying that my purpose here is not to refer to the comments of the member. I happen to disagree with them, but I suppose we have a right to agree or disagree with each other in the House from time to time. That is what debate is all about. That is not the point.

Nor is it the point to state that Mr. Stewart himself caused those blocks to be at the top of the letter. After all, he says he did not do it and someone else has actually said that they did. The point is that that material, in several thousands of copies, has been distributed to individuals, misleading them to believe that in some way the House, or a representative of the House, was associated with it. In that way, I do believe that the privileges of the House collectively have been affected.

Mr. Speaker: I am going to hear the hon. Government House Leader and then I will come to the hon. member for Kamloops.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this matter could have been dealt with 10 or 12 minutes ago if the hon. member had allowed it.

Mr. Boudria: If you hadn't interrupted. Do you like being interrupted?

Mr. Speaker: The hon. member for Glengarry—Prescott—Russell was listened to courteously and gave his argument. The hon. House leader did rise on a point of order but—

Mr. Boudria: To interrupt!

Mr. Speaker: Well, he may have interrupted but he made his point and then sat down. He certainly gave the hon. member every chance to make his argument and I think the same courtesy must be extended to the hon. House leader.

Mr. Andre: Mr. Speaker, the newspaper article in question, which alleged that a former member of the House had sent out on House of Commons stationery a letter to an American organization proffering advice on how it might treat a certain issue in the U.S., was immediately reacted to by the hon. member for Glengarry—Prescott—Russell with some concern that this should happen and an indication that he intended to raise a question of privilege in the House.

That former member of the House, Ron Stewart, then faxed to Your Honour, to me, and to the hon. member for Glengarry—Prescott—Russell, a letter categorically denying that he, on stationery of the House of Commons, sent out that letter—

Mr. Boudria: Did I say he had?

Mr. Andre: —and, Mr. Speaker,—

Mr. Boudria: Try again!

Mr. McDermid: Shut up!

Mr. Speaker: Please! I think hon. members should listen. The hon. House Leader.

Mr. Boudria: Point of order, Mr. Speaker.

Mr. Andre: The rat pack just can't help behaving like a rodent. Mr. Speaker, the—

An hon. member: Oh, oh!

Mr. Speaker: It would help the Chair if I was allowed to listen to the hon. House leader.

Mr. Andre: Mr. Speaker, the former member of the House, Mr. Stewart, wrote a letter to the hon. member for Glengarry—Prescott—Russell, the Chair, myself, and others, categorically denying the contents of that news story.

• (1520)

Furthermore, the recipient of the letter, who dispersed it apparently throughout his membership in the United States, wrote to the Speaker and the hon. member for Glengarry—Prescott—Russell, myself, and others stating explicitly that he, in fact, had taken the letter from Ron Stewart on plain stationery, had affixed to it the letterhead of the House of Commons with the title of former parliamentary secretary, had affixed to it the block, and had himself sent out bogus propaganda material. This is an American citizen who did this.

He said to the hon. member that he had done that. He said that in no way, shape or form did he ask Mr. Stewart's permission to do that. For the hon. member for Glengarry—Prescott—Russell, in view of that information—

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

Mr. Speaker: Perhaps the best way to proceed would be to let the hon. House leader finish. I will come back to the hon. member for Glengarry—Prescott—Russell.

I must remind all hon. members that in these matters it is a *prima facie* case that the Speaker must decide. It is not necessary for the Speaker to sort out all the facts.

Will the hon. House leader continue, please.

Mr. Andre: Mr. Speaker, there has been the categorical denial by the former member of the House. There has been the categorical admission by the American who received this letter that he was the one who had improperly affixed the Coat of Arms of the House of Commons, and so on, to a letter received by him on plain white stationery. And, it seems pretty obviously, there is the original concern about which the hon. member had expressed his indignation is his raising of November 1988 members' manual—interestingly enough a manual that was released to Members of Parliament after Mr. Stewart was no longer here. He was supposed to somehow anticipate what was in the future manual to be given to members, had he run for election. That notwithstanding, it is a side issue.

It is pretty clear that it is not acceptable for Americans, Australians, Indonesians or anybody else to take the stationery of the Canadian House of Commons and, on the basis of that, to fraudulently put onto a letter of any sort this Coat of Arms, to claim that it was sent out under some official status, and to use that for their purposes. That is obvious.

While the privileges of the House are very important, I do not know how we can extend those beyond the borders of Canada. If there is a way, I would certainly have no objection to getting that American up to the Bar of the House of Commons and having him explain how he has abused the privileges of the House, because he most certainly has. But it is an American who has done something in the United States. This is not a Canadian.

I think it is less than honourable and I am disappointed that the hon. member for Glengarry—Prescott—Russell should seek to malign the former member by raising a point of privilege about his activities, which is not justified in this case. This American has abused the House, to be sure. There is no problem in that regard. By what means would he propose that we could somehow bring our privileges to bear on people who live outside the boundaries of this country?

The hon. member for Glengarry—Prescott—Russell, after interrupting me six times, is still not hearing what I have to say because he keeps talking. He cannot hear without his mouth in action, apparently.

Some hon. members: Oh, oh!

Mr. Andre: The unfortunate situation, I thought, was closed, and should have been closed. In an earlier day of more honourable behaviour, it would have been closed a long time ago.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, as you know I, too, filed a notice with you on April 18 after reading the report in the newspaper.

I listened with interest when the government House leader said that, yes, indeed, he agrees that the privileges of the House have been breached. If that is the case, Mr. Speaker—and I take him for his word—I think this is a serious matter. How we deal with it most appropriately would be open to some question. The fact that the government House leader has indicated that he, too,

sees this as a breach of privilege indicates the seriousness of what we are discussing.

Some may argue that since the member in question is no longer a member from Simcoe South, there is no risk of confusion in terms of what the member has or has not done and, therefore, there are likely no privileges that have been breached. I would argue to the contrary, that as long as there is some confusion over who is and who is not a member, it affects all of our abilities to perform as members. In that sense, any individual appearing to—

Mr. Speaker: There seem to be some salient facts here. There does not seem to be any doubt at the moment, at least in the Chamber, that the hon. former member referred to is no longer a member. There may have been some doubt in the United States as to whether he was or was not, but has there been any doubt here?

Mr. Riis: Mr. Speaker, I do not suppose there has ever been any doubt. As a matter of fact, there no longer is a member for Simcoe South, so the matter has changed significantly.

Joseph Maingot's *Parliamentary Privilege in Canada*, at page 195, describes one class of contempt as being "the interference with the corporate rights of the House". It states:

> When the corporate rights of the House are interfered with in some way, the "breach of privilege" could result in the offender being held in contempt of the House—

Surely, the House of Commons shares the same corporate rights as other corporate bodies, including the important right to claim sole use of our Coat of Arms, stationery, and freedom from the misrepresentation of our views by others.

What has become clear, as a result of communications from a variety of people, is that someone decided to masquerade as a Member of Parliament, or to set up a previous Member of Parliament as being an existing Member of Parliament and having advocated something most of us find unacceptable—the opposition to linguistic duality in our country. Thousands of these letters have been sent out, allegedly signed by the previous member from Simcoe South with the use of his name and stationery in one form or another.

Surely, when someone has misrepresented a previous member, it is something that we ought to be very concerned about. Therefore, I think the reference of this matter to the appropriate committee would be more than appropriate. If we do not, are we in a sense saying that any organization that wants to manufacture a letterhead using the names of existing or previous members of Parliament, the Coat of Arms of Canada, or whatever other set of symbols, is appropriate? Are we simply going to say that we have nothing to say about the misrepresentation and misuse of stationery, and, by implication, a former member's or perhaps even a present member's name? I think it is very serious and something must be done.

Since we have had new information, whether or not there has been a contempt of the House by the previous member, I think, can be set aside. Nevertheless, someone or some organization is masquerading as a previous Member of Parliament in expressing a very disgusting viewpoint. At least, I would like to think that everyone here would consider it disgusting.

I support the views put forward by my hon. friend speaking on behalf of the Liberals. As I indicated in my letter to you of April 18, if you find a *prima facie* case of contempt of the House in this case, I, too, would encourage the appropriate motion to be put.

Mr. Speaker: I have listened to argument and I promised the Hon. Member for Glengarry—Prescott—Russell that I would give him a short reply. I point out to him that I think I have the salient facts, also the argument and issue.

Mr. Boudria: Mr. Speaker, I only want to take one or two moments and I would like to get the attention of the government House leader briefly.

It is against the Standing Orders of this House to say that someone else has maligned, is guilty of malignity, or deliberately maligned. I do believe that that remark was made about me by the government House leader in reference to Mr. Stewart.

In no way did I say that Mr. Stewart was—

• (1530)

Mr. Speaker: The hon. member may very well have a point. In order to keep this tidy, I would ask him to not

make it in the midst of this argument. He has put the argument with respect to the publication in cogent terms and that is what I have to decide. If there is another matter that may have to be raised as a consequence of some comment made in the argument, I will hear that at the appropriate time.

Mr. Boudria: There is just one final argument that I want to present to the Chair and to all hon. members on this issue and that is the following: Whether the offence has been committed in this country or anywhere else is not what should concern the House at this point. It may very well be that in the end the parliamentary committee looking into the issue will determine that it is not able to obtain redress, but that is a matter which I do not believe the Speaker should be looking at, with respect, at this point.

I think the Speaker should be concerned with whether or not there is a *prima facie* case of privilege and then an appropriate motion could be moved and the parliamentary committee could obtain information or seek to obtain redress. If it deems that there are appropriate measures, it can decide so at that point.

The Government House Leader did state in his remarks that he believed as well, and I am paraphrasing what he said, that there could be an offence against the privileges of this House but that the offence, I believe he said, was committed outside of the borders of this country. There seems at least to be unanimity on all sides of the House from those remarks, if I am paraphrasing correctly what the minister said, to the effect that there is indeed a *prima facie* case of privilege. I wanted to bring those concluding remarks to the attention of the Chairman and I want to bring the other matter once these deliberations have concluded.

Mr. Speaker: I have listened to hon. members, the Government House Leader, the hon. member for Kamloops, the hon. member for Glengarry—Prescott—Russell and I have the material in front of me. I have looked at it and I will look at it again in light of the comments that have been made. It would seem very clear that with respect to our former colleague that it would seem to be at the first opportunity he extended to hon. members an explanation as to his position on that matter. In any event I will consider the matter carefully and report back to the House as soon as I can.

I have another question of privilege. I think looking at this in the terms of the priorities I will hear the hon. member for Mégantic—Compton—Stanstead.

[*Translation*]

REMARKS MADE IN HALIFAX BY THE HON. MEMBER FOR YORK SOUTH—WESTON

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, during a Liberal leadership forum held yesterday in Halifax, the hon. member for York South—Weston (Mr. Nunziata) made remarks that were widely reported in Canada,—

Mr. Milliken: He is not here. It should wait.

Mr. Gérin: —slanders Quebecers as a whole, insults and violates the privileges of many members of this House, even though they have not been named. The remarks that were made and reported are that Quebec separatists are traitors to Canada and no better than racists and bigots, that they are therefore guilty of treason, which is perhaps the most serious crime in our Criminal Code. He even had the nerve to name specific Members of this House to illustrate what he had just said.

Mr. Speaker, Quebecers as a whole were shocked by the remarks made by the Hon. Member.

Mr. Saint-Julien: It is disgusting!

Mr. Gérin: To all these Quebecers, it is another insult in the current Constitutional debate.

Mr. Speaker, in 1980, over 40 per cent of Quebecers voted democratically in favor of sovereignty for Quebec and many members of this House also voted yes to the question asked in the referendum. Today that number could be as high or perhaps even much higher.

That debate was extremely democratic. By levelling charges of treason, a crime defined in the Criminal Code as involving violence, the hon. member for York South—Weston and Liberal leadership candidate, attacks certain members of this House and puts them and all of us under a cloud. It is a very serious problem, Mr. Speaker. I know that the hon. member is not here today and that that statement was not made in this House. It is nonetheless an issue and, based on the case law and precedents set in this House, any statement affecting a

number of members of this House, even if it was made outside the House, constitutes a problem which must be considered immediately by the Chair and by the House.

Mr. Speaker, Quebec's right to self-determination is fundamental. It is a sacred right, and inalienable right and a capital right in the present Constitutional debate. However, that debate must be democratic. Those who believe in it will work democratically and believe in the sovereinty of a Canadian province. That is in no way criminal, nor is it racist or bigot.

I therefore request three things, Mr. Speaker: that the whole of this House immediately denounce the terms used by the member for York South—Weston; that the House immediately demand public apologies from the member and that the House solemnly reaffirm Quebec's right to self-determination.

Mr. Speaker: I have listened rather carefully to the Hon. Member's comments. However, we have a problem today because the Hon. Member for York South—Weston is absent. He is no doubt occupied elsewhere and I think that the Chair, is keeping with our tradition should request the House's permission to now ajourn the matter until such time as arrangements can be made with the other Hon. Member to secure his presence here. For this reason, I ask all Hon. Members to allow the Chair to make arrangements with the Hon. Member for York South—Weston to secure his presence here at a later date. I understand that other Hon. Members wish to deal with this issue, which would certainly be proper, but I would ask them to wait until the Hon. Member for York South—Weston is present.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I shall be brief. The Hon. Member for Mégantic—Compton—Stanstead clearly referred to a comment which was made outside the House and which has not affected any Hon. Member, either individually or collectively.

Some hon. members: Oh, oh!

Mr. Gauthier: I do not understand. I said that the comment was made outside the House, which is absolutely true.

Mr. Blais: Indirectly!

Mr. Gauthier: No Member of the House has been affected—

Some hon. members: Oh, oh!

An hon. member: Read again the newspaper articles!

Mr. Gauthier: —either directly or indirectly.

• (1540)

Mr. Speaker: I am reluctant to interrupt the hon. member for Ottawa—Vanier, but the point he raised is in fact that on which the House must reach a decision and on which the Speaker must provide a ruling. That is why I would ask all hon. members to allow me to adjourn this matter now, so that the Chairman can have a conversation with the hon. member and agree on how the matter should be pursued. During the debate, of course, all other members will have a chance to make themselves heard.

I see that a number of members would like to speak now. If it is really urgent, perhaps, but—

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I realize that you want the hon. member to be present, but there should not be a delay in terms of weeks or months. I think tomorrow should be the latest.

This man attacked democracy itself by calling those who are considering constitutional options criminals. That is unacceptable!

Mr. Speaker: All right. We have a tradition that is very clear cut, a tradition has been consistently applied for many years, which is to give a member the opportunity to be present when certain charges are made against him. This is an age-old principle which has customarily been applied in this House.

Of course I would need the consent of hon. members, but I would ask you to give the Chairman a chance to make a telephone call and make certain arrangements and secure the presence of the other member.

I don't think there will be a delay in terms of a week, two weeks or a month. I agree this is a very important matter, not only for the hon. member who raised the issue and for other members who have very strong feelings about the matter, but for all members of this House.

That is why I would ask all members to give the Chair a chance to make arrangements immediately, as soon as possible, so that we can pursue this very important matter tomorrow or perhaps Wednesday.

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, I think your suggestion is very reasonable, but since this is a very serious matter, perhaps you could let us know tomorrow after Question Period, when questions of privilege are discussed what the possibilities are, so that hon. members and especially our Quebec members, many of whom were shocked by what happened, will be able to decide, with the Chair, when the debate will take place. If the debate could take place tomorrow, that would be ideal, and otherwise Wednesday.

Perhaps we could now adjourn this debate immediately until tomorrow afternoon.

Mr. Speaker: The hon. member's suggestion is entirely appropriate. Perhaps after Question Period tomorrow, I will be in a position to report to the hon. member. I agree this is a very urgent matter, but we also have another very important principle, which is that all members of this House should be treated fairly. We shall wait until tomorrow.

[*English*]

Mr. Boudria: Mr. Speaker, during the question of privilege that I raised earlier today there was a response from the hon. Government House Leader in which, and again I must paraphrase in the absence of the *Hansard*, he clearly accused me of maligning the former member for the riding of Simcoe South.

Mr. Speaker, first of all, to accuse someone of deliberately maligning is against the rules of this House as stated under Beauchesne. I bring it to your attention that Beauchesne's Citation 320 specifically identifies "malign" as being a word that is inappropriate.

Second, Mr. Speaker, you will also be aware that I indicated to the Chairman that I had received material which led me to believe that it was an organization in the United States which had claimed itself to have placed the letterhead on the material in question.

No where did I in fact state that Mr. Ronald Stewart had committed this act deliberately and wilfully himself, save and except the signature portion which identifies himself as a member of Parliament, RET. The other portions I attributed to that organization in the United States. Second, even if I had said that, which I did not, I do not believe that the House leader is justified in making his accusation which is against the rules of the House in any case.

Mr. Milliken: Certainly not. Very improper and Harvie, you should have known better.

Mr. Andre: It is a day for the Liberals to give me lectures on decorum. Mr. Speaker, I have the Sixth Edition of Beauchesne's and I could not find malign in there. It is not in the Sixth edition. The hon. member has the Fifth edition. It does not appear in the Sixth edition. Knowing the hon. member's sensitive nature, I certainly would not want to offend him. After all, he has enough to bear.

While I am on my feet, in the interests of not denying hon. members the right to debate important legislation which I know hon. members have strong feelings about, perhaps I could ask if there is unanimous consent of the House to add the 45 minutes we have taken up on these points to the remainder of this day. In this way members will have an opportunity to do what we were elected to do, and that is to debate the important issues facing the country.

Mr. Speaker: The hon. House leader has made a suggestion. Is there consent?

Some hon. members: Agreed.

Mr. Speaker: Is there any negative?

Mr. Riis: Yes.

COMMENTS DURING QUESTION PERIOD

Hon. Roger C. Simmons (Burin—St. George's): I thank the Speaker for his indulgence. I rise on a question of privilege arising from Question Period. I want to see the actual transcript, but I believe there will be a basis for me to raise a question of privilege arising out of a response that the minister of fisheries gave me during Question Period today. I wanted now not to sit on my rights but to give notice to Mr. Speaker that I will raise it as soon as I have an opportunity to see the transcript.

ROUTINE PROCEEDINGS

[*English*]

BARRIERS TO WOMEN IN THE PUBLIC SERVICE

TABLING OF TASK FORCE REPORT

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I am pleased to table today, in both official languages, the report of the Task Force on Barriers to Women in the Public Service.

[*Translation*]

I would like to thank the members of the task force Jean Edmonds, Edna Mackenzie and Jocelyne Côté–O'Hara for their work and their contribution to this very important issue.

* * *

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8) I have the honour to table in both official languages the government responses to 192 petitions.

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

* * *

• (1550)

[*Translation*]

NATIONAL CONSUMER WEEK

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, I am pleased today to proclaim the week of April 23 to 29 National Consumer Week. This is the first time it has been observed, Madam Speaker. From now on, it will be held the last full week of April every year.

The main purpose of this very special week is to highlight the partnership that must exist in the Canadian market between governments, the private sector and consumers.

This Week is the result of many initiatives taken by the ministers responsible for consumers at the federal, provincial and territorial levels. It is inspired by the many activities organized by consumers' groups in the last several years to protect Canadian consumers and improve the many products available to them on the market.

[*English*]

Businesses, business associations, consumer groups, schools, community groups, trade and professional associations as well as municipal governments are organizing a wide variety of activities that will further increase the public's awareness of consumer issues.

To this end Consumer and Corporate Affairs Canada has put together and published an organizers' manual that was distributed to all those interested in organizing special events in their community on the theme of National Consumer Week.

The theme chosen for this first National Consumer Week is "Team Up for a Stronger Marketplace: Consumers, Business, Government". We want to show the extent to which the co–operation of all sectors is essential for an efficient and functional marketplace.

[*Translation*]

Throughout the week, Madam Speaker, I will participate in many activities across the country. Tomorrow in Montreal, I will take part in the launching of a food labelling guide. This is a very practical small guide designed to help consumers better understand the sometimes arcane language of labels.

This guide has been produced jointly by my department and many companies in the private sector and a million copies of it will be distributed everywhere during the National Week. I cannot overemphasize the co–operation and partnership behind this initiative.

Still on Tuesday, I will give a speech in Toronto to a conference on intellectual property. I will be in Western Canada on Wednesday and Thursday, where I will address the Environmentally Sound Packaging Coalition in Vancouver. I also plan to visit the various offices of my department throughout the country and to meet many of my provincial colleagues to further strengthen the partnership required to make the Canadian market more dynamic.

This year, for the third time since 1982, we organized a consumers' fair for members of this House. Ministers, members and senators had the opportunity, and still have an opportunity for a few more minutes, I think, to go right to the source of the information they can use to answer hundreds of requests from their constituents thoroughly and effectively.

More than 20 federal government departments and agencies took part in this event. I met several of my colleagues at noon today. We hope that all those who took the trouble to go among the displays were satisfied with this event today. It was an opportunity to chat with colleagues, to exchange information and also to add to one's knowledge of the services the federal government provides to help Canadian consumers.

Excellence of products and services must be our main concern and fundamental objective.

We are convinced that a well-informed consumer is more demanding, Madam Speaker. A more demanding consumer asks for better products. This in turn opens up the market more and strengthens competition, a goal we must all strive for to improve the quality of life, both for individuals and for society in general.

That is our position and our commitment. That, Madam Speaker, is the purpose of National Consumer Week. Thank you for your attention and I invite all hon. members here to promote this Week all week long.

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I want to thank the Minister for his speech on National Consumer Week. However, I think he made a mistake when he said it was the first time this week was held.

According to his own text, on page 3:

> This year, for the third time since 1982, we organized a consumer exhibition for parliamentarians.

It definitely was a mistake.

According to the minister's text, on page 2: Tomorrow—

[*English*]

Tomorrow the minister will be in Montreal for the send-off of a food labelling guide. I congratulate him on that. Finally, we will see simpler language than what is presently on labels. I would suggest to the minister that after sending off this booklet perhaps he could make some modifications to the labelling law.

Some health claims about certain foreign products are untrue. We need to correct our laws. The processed food companies are not listing any of the contents that constitute less than 5 per cent. There are some products which can be deadly to some consumers. In the past few years we have seen children dying from eating certain products containing foods they are allergic to.

I see that this booklet will be limited to one million copies. I would suggest that the population of Canada is well over 25 million, and perhaps we should have more copies.

On the same day that the minister will be in Toronto rushing to speak to The Intellectual Property Conference, I hope he will mention that a legislative committee is presently in session on the topography of integrated circuits. This is a rather interesting legislative committee, which very few members of the government have been attending. They did attend *en masse* the last meeting to prevent me from having an expert from Osgoode Hall in Toronto come in to make a critique of the proposed law.

I congratulate the minister for his booklet; "Team up for a Stronger Marketplace".

[*Translation*]

Faisons équipe à un marché dynamique. I wonder whether the minister is changing the course of events by having two brochures, one for Francophones and one for Anglophones. I noticed that before, we had guides with the English version on one side and the French on the reverse, so we didn't have to write to the department twice.

[*English*]

In this particular booklet, "Team up for a Stronger Marketplace", which was produced for National Consumer Week, I find it rather interesting that on one of the first pages signed by the minister it states: "National Consumer Week is an opportunity to encourage a higher level of consumer awareness, education and participation in the marketplace by consumers, business and government. The goal of the week is to emphasize the marketplace partnership among these groups".

I ask the minister: What is the government doing to be a partner?

There is an an acknowledgement on the front page, thanking the National Consumer Council of the United Kingdom and the United States for all of their good suggestions. This is the source of the information for this booklet.

On page 5 there are ideas to inspire educators which I find very interesting, as will the rest of Canada. It tells educators to conduct taste tests on products such as soft drinks, snack foods, candies and so on. They are to compare name brands with generic no-name bulk foods. In other words, they can do taste tests on junk foods.

I do not know how long the minister has been out of school, but soft drinks and junk food are not part of the educational standards of schools today. Imagine suggesting these as ideas to inspire educators. I am really surprised that this kind of junk is being produced in the name of National Consumer Week.

• (1600)

When will the minister bring in a new Bankruptcy Act? It is an act which has not been changed in 43 years. His ministry has a revised Bankruptcy Act which has been ready for review since February of 1988, according to my sources.

[*Translation*]

I would like to point out to the Minister of Consumer and Corporate Affairs that it is the first time, in the history of Canada and the world, that a country has two consumer taxes, one at the provincial level and one at the federal level.

In concluding, Madam Speaker, I wonder what the Minister of Consumer and Corporate Affairs did last week to encourage consumers, when the bank rate went up again.

[*English*]

Mr. John R. Rodriguez (Nickel Belt): Madam Speaker, I welcome this opportunity to make a few comments about consumers in this week, National Consumers Week.

The minister has his own message for consumers. He talks about teaming up the business community, consumers and the government for a more effective marketplace.

I have a message that I would like consumers to think about this week. I want consumers to think about how this government has treated consumers, not just this week but for the last six years.

First, this government through the Governor of the Bank of Canada, John Crow, has followed a high interest rate policy. Think about the effects of a high interest rate policy on consumers—not only the consumers who are working but the ones who are unemployed.

Since the government was re-elected in 1988 it has increased interest rates 20 times. Some 71,000 jobs have disappeared in the manufacturing sector of this country. Some 47,599 consumers and small businesses have declared bankruptcy.

Mr. McDermid: How many new ones have been created?

Mr. Rodriguez: News ones created—created where? They are all working for McDonald's and Harvey's in the service sector. These are low paying jobs, jobs with no guarantee that they will be there tomorrow. We are trading in some good, solid, challenging, interesting and well-paying jobs for a pittance. That is what we are trading them in for.

Second, how has this government treated consumers? I ask Canadians to think about it this week.

It has pursued a privatization and deregulation policy. All of this was to create a more competitive marketplace.

Madam Speaker, let us take a look at the airline industry. I think of my own municipality which wrote to the Minister of Transport since deregulation and the privatization of Air Canada in the Sudbury area. We do not have a proliferation of airlines to provide competition. What we have got are two national airlines where before we had four.

Has the price come down? No, the price has escalated. Imagine paying $350 return from Sudbury to Toronto—some 240 miles. You can fly to London, England and return for $350.

Have consumers received any more assurance of safety in the air? Not on your bippy, Madam Speaker.

Mr. McDermid: Not on her what?

Mr. Rodriguez: I am glad the minister is here. He is the minister who promised that if we got free trade it would result in lower prices to consumers. That is the third thing it promised. There is no evidence that that is happening—none at all. In fact prices are going up and up.

Fourth, the latest blow to consumers is this government's headlong dash to implement the goods and services tax on January 1, 1991. There is no more regressive tax than a sales tax. That is what the member for Mississauga South said in a speech in 1980. He said there is a no more regressive tax. Why? Because it does not respect the ability of the consumer to pay. In this particular situation the government has said: "We are removing the manufacturers' sales tax of 13.5 per cent". Are the consumers being given any assurance that they are going to get the net benefit when the 13.5 per cent is removed? No sirree, not at all.

What are we going to get? The minister said; "We are going to give you a new version". This is the 1990 version of the Beryl Plumptre committee. Do you remember that committee which the Trudeau Liberal government set up to monitor prices during the wage and price control period?

We know that that watch-dog did not bite. That watch-dog could only whimper. Yet this government is going to set up a watch-dog that will have no power to bite. It will only be able to whimper at the removal of the manufacturers' sales tax.

Finally, the Standing Committee on Consumer and Corporate Affairs and Government Operations, in June, 1988, tabled a unanimous report with 33 recommendations on misleading advertising, all designed to protect consumers as they forage for food, services and goods in the marketplace. Not one of these recommendations has been put into effect—not one, and there are 33 of them which are absolutely unanimous.

The minister said the theme of his week is: "Team up for a stronger marketplace, consumers, business and government". I suggest that the theme should be: "Team up to get rid of the Mulroney government, consumers, small businesses and trade unions," providing we have any left by 1993.

[*Translation*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

MEASURE TO ENACT

Mr. Charles DeBlois (Montmorency—Orléans) moved for leave to introduce Bill C-296, an Act to change the name of the electoral district of Montmorency—Orléans.

The Acting Speaker (Mrs. Champagne): Shall the hon. member have leave to introduce the Bill?

Some hon. members: Agreed.

Mr. DeBlois: Madam Speaker, today I would like to introduce a Private Members' Bill aimed at changing the name of the electoral district of Montmorency—Orléans so that it more adequately reflects the riding's demographic profile and geography.

If my bill is passed, the riding will be known as Beauport—Montmorency—Orléans.

I may point out that nearly 70 per cent of the residents of my riding live in Beauport, the fourteenth largest town in Quebec. In a recent survey of my constituents, a substantial majority replied they agreed with the new designation.

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

Some hon. members: Agreed.

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

The Acting Speaker (Mrs. Champagne): When shall the bill be read the second time? At the next sitting of the House?

Some hon. members: Agreed.

* * *

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is an honour and, indeed, a privilege to present petitions pursuant to Standing Order 36 on behalf of a number of residents of the constituency of Kamloops.

The petitioners point out a whole set of reasons why they oppose the government's goods and services tax that is now before the Senate. They suggest that the Parliament of Canada should do whatever it can to encourage the government to drop this very oppressive tax, go back to the drawing-board and introduce a tax reform that is fair and just, as opposed to this very cruel goods and services tax.

CHILDREN'S BILL OF RIGHTS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another issue I have petitions from people who are calling upon the government to take action against the situation of so many children in Canada who live in poverty. They are asking the government to support motion M-254, which calls upon the government to negotiate with the provinces the provision of a comprehensive bill of rights for children. However, the government voted against proceeding with that initiative.

• (1610)

EXTERNAL AFFAIRS

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I have the pleasure to present to the House of Commons a petition from a number of my constituents in connection with the unjust and improper imprisonment of Yi-Shih Leo, who is a Canadian citizen, by the government of Taiwan.

Mr. Leo has been in jail for speaking about democratic rights in Taiwan. His only offence is to have exercised freedom of speech, which we are told exists in Taiwan, but which apparently exists in such a fashion so that when it is exercised it puts one in jail. On behalf of my constituents, I present this petition.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I have a petition signed by numerous residents of Kingston and the Islands who are protesting the government's goods and services tax in so far as the tax will apply to books, magazines and newspapers. These items are currently untaxed.

Under the proposed goods and services tax that is now before the other place, the government proposes to tax these items as though they were some common commodity when in fact, as Your Honour will know, they are the printed word and normally have been exempt from government taxation, not just in Canada but in other lands.

I am sure that these petitioners who call upon Parliament to reject the tax in so far as it applies to such publications either in the statutes or the regulations would be appalled to know that their rights now depend on the other place and not on this House. Nevertheless, they call on this House, if it should get an opportunity, to express its displeasure at the government's actions in respect of this unfair tax.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, it is my privilege to rise under Standing Order 36 to present to this House a petition signed by 335 Canadians.

These Canadians are essentially low-income earners who are very concerned about the effect that the GST will have on them. Essentially, they are in the $20,000 a year income bracket. They will be spending between 93 per cent and 95 per cent of their money on consumption, whereas those in higher income brackets will be spending about 50 per cent.

The petitioners feel that it is blatantly unfair for them to be burdened with the goods and services tax. They are also concerned about other aspects as well. However, they are concerned mostly with the fact that the burden will be on their shoulders. Despite what some hon. members on the other side of the House who are sitting here today have said, they will not be better off, and they are pretty sure of that.

It is my honour to present this petition to you, Madam Speaker, for your consideration.

The petitioners humbly pray and call upon the House of Commons and the other House to reject this goods and services tax.

Mrs. Diane Marleau (Sudbury): Madam Speaker, I am happy today to be presenting another petition against the goods and the services tax. This petition was sent to me in February of this year. However, this is the first chance I have had to present it.

The petitioners are totally opposed to the goods and services tax. They are especially worried about the tax as it relates to a levy on skating expenses, including instructor fees, facility rentals, equipment purchases and other related skating expenses.

They are also concerned that the proposed tax will place a significant financial burden on the families of young athletes, thereby deterring them from entering

and continuing in this sport. They point out that this sport significantly contributes to the physical and mental health of our youth.

They ask that this government not impose this goods and services tax, especially on any of the services related to skating.

REGIONAL DEVELOPMENT

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I am happy to present to the House pursuant to Standing Order 36 a petition on behalf of hundreds of residents in my riding and around Toronto who have relatives and friends who live in Atlantic Canada.

They are asking the government to please hurry in its design to set a clear agenda to correct the current problems in Atlantic Canada so that the people there can begin developing a game plan in order to ensure that future prosperity will exist in Atlantic Canada. We are concerned about this happening in every other part of Canada as well.

EXTERNAL AFFAIRS

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, I rise, pursuant to Standing Order 36, to present a petition. This is the first occasion we have had in quite some time to present petitions. I do so on behalf of many citizens from the Toronto area who implore the government to intercede on behalf of Mr. Yi-Shih Leo who is being detained by the government of Taiwan.

The petition calls on the Canadian government to take immediate and effective measures to secure Mr. Leo's release, including the issuing of public statements, instructing the Canadian Embassy in Japan or the High Commission office in Hong Kong to intercede, to appoint a lawyer to handle the case, and to request Canada's allies to assist in the case itself.

WOMEN'S PROGRAMS

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, I, too, rise to present a petition in accordance with the Standing Orders. It is from 31 people from the communities of Port aux Basques, Rose Blanche, Doyles and St. Andrew's.

The petitioners, in making their prayer, point out that the cuts in women's funding will undermine a very well-established program to provide supportive services to women and families in crisis situations, which are often life threatening and violent.

They call upon Parliament, and I support them in this call, to take whatever steps are necessary to ensure that the funding for the operation of women's centres, such as the ones in Port aux Basques, Stephenville and the others across the country, so that these centres can continue to provide the services and support to women and families who are so much in need of that type of service.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 246, 256 and 266.

[*Text*]

CONFERENCE HELD AT MONTEBELLO (QUEBEC) DURING THE WEEK OF FEBRUARY 26, 1990

Question No. 246—**Mr. Boudria:**

During the week of February 26, 1990, did employees of the Department of Employment and Immigration attend a conference in Montebello, Quebec and, if so (a) what number (b) at what cost (c) who attended the conference (d) what was the purpose of the meeting (e) who authorized the expenditure (f) who chose the location (g) were any government-owned facilities available in the National Capital Region where the meeting could have been held?

Hon. Barbara Jean McDougall (Minister of Employment and Immigration): Yes.

(a) 32

(b) $10,870

(c) see attached appendix 1

(d) see attached appendix 2

(e) Mr. Yves Lachapelle, Acting Director, Outaouais Network

(f) Mr. Jacques Cécyre, Director, Outaouais Network

(g) no

Appendix 1

c) Jacques Cécyre	Director, Outaouais Network
Yves Lachapelle	Chief, Programs and Services Network
Cécile Landry	Senior General Personnel Officer-Network
Pierre Simard	Technical Advisor, Employment Operation Network
Jean-Yves Parent	Technical Advisor, Insurance Operation Network

Pierre Létourneau	Chief, Administration, Planning and Analysis Network
Marcel Gonthier	Co-ordinator, Labour Force Development Strategy Network
Gérard Bélanger	Supervisor, Employment Development Network
Donat Gollain	Director, Canada Employment Centre (CEC) Maniwaki
Lise Carle	Supervisor, Employment, Maniwaki
Jocelyn Mantha	Supervisor, Insurance, Maniwaki
Chantal Mantha	Chief, Administrative Services, Maniwaki
Maurice Matte	Director, CEC Gatineau
Céline Magnan	Supervisor, Employment, Gatineau
Yves Bonneau	Chief, Administrative Services, Gatineau
Francine Bilodeau	Supervisor, Reception and Information, Gatineau
Richard Poirier	Director, CEC Buckingham
Claudette Levis	Supervisor, Employment, Buckingham
Louise Lafrance	Supervisor, Insurance, Buckingham
Francine Leguerrier	Chief, Administrative Services, Buckingham
Raymond Bourassa	Director, CEC Hull
Nicole Desjardins	Assistant Director, CEC Hull
Christiane Boulanger	Supervisor, Employment, Hull
Paul Mongeon	Chief, Administrative Services, Hull
Mathilde Araujo	Supervisor, Insurance, Hull
Marthe Savoie	Supervisor, Employment, Hull
Luc Laflèche	Supervisor, Investigation and Control, Hull
Michel Laporte	Director, CEC Campbell's Bay
Estelle Bernier	Supervisor, Information Centre, Hull
Serge Turbide	Director, CEC Montreal
Yves Leroux	Supervisor, Valleyfield
Denis Simard	Supervisor, Insurance, Hull

Appendix 2

(d) In view of the new Labour Force Development Strategy, a national forum was held for managers in the Quebec Region in October 1989. Following the forum, the Quebec Region decided to organize a similar type of forum, in residence, for all supervisors in the Quebec Region. The objectives of this forum were as follows:

—To enable each supervisor to understand the foundation and evolution of the strategy.

—To assure an adequate comprehension of the concepts and principles of this Strategy and the mandate of Employment and Immigration Canada.

—To examine the approach and the methods to be used through exchanges and discussions on the means available, taking into consideration each of CEC's own characteristics.

—To allow supervisors to familiarize themselves with the results of the pilot projects.

—To outline the overall network, a plan and timetable for its execution.

CONTRIBUTIONS OR GRANTS FOR ANIMAL PROTECTION SERVICES

Question No. 256—**Miss Grey (Beaver River):**

Has the government provided any contributions or grants through the Department of the Environment to organizations which have the goals or objectives of promoting or defending animal rights or animal welfare, or which are responsible for animal protection services and, if so, in each case, what is (a) the name of the organization (b) the (i) amount (ii) purpose (iii) duration of the contribution or grant?

Hon. Lucien Bouchard (Minister of the Environment): Environment Canada has not provided grants or contributions to organizations which have goals or objectives of promoting or defending animal rights or animal welfare or responsibility for animal protection services.

UNITED STATES INVASION OF PANAMA

Question No. 266—**Ms. Hunter:**

Did the government support the United States invasion of Panama and, if so, did it seek legal opinion before taking this step and, if so (a) who provided the advice (b) at what stage was it sought (c) did it include arguments (i) in favour of (ii) against the invasion and, if so, what were they?

Right Hon. Charles Joseph Clark (Secretary of State for External Affairs): The Government of Canada, on December 20, 1989, expressed support for the USA action in Panama since: (a) all reasonable and extraordinary diplomatic efforts to negotiate a solution to the crisis in Panama had failed, and (b) the killing of an off-duty U.S. military officer and threats to the families

of other U.S. servicemen had demonstrated that the lives of American citizens, in Panama by right of treaty, were in jeopardy. On December 16, 1989, the Panamanian National Assembly declared the country to be in a "state of war" with the United States. In the circumstances, the United States' Government invoked Article 51 of the United Nations' Charter, which permits states to use force in self defence. The Government of Canada expressed regret that the situation had deteriorated to the extent that force was required. The Government of Canada acknowledged that the use of force presented a dangerous precedent, but recognized that the situation in Panama was unique.

The question of whether the Government of Canada sought a legal opinion before expressing support for the United States' military intervention in Panama, and related questions concerning the nature of any such opinion constitute a request to render public the confidential advice provided by the Government to the Prime Minister. The confidentiality of this information is protected under the Access to Information Act.

[*English*]

The Acting Speaker (Mrs. Champagne): The questions as enumerated by the Parliamentary Secretary have been answered.

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

The Acting Speaker (Mrs. Champagne): Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

GOVERNMENT EXPENDITURES RESTRAINT ACT

MEASURE TO AMEND

The House resumed from Tuesday, March 27, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C–69, an act to amend certain statutes to enable restraint of government expenditures, be read the second time and referred to a legislative committee.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have two quick points of order to raise.

Earlier in the day the government House leader asked whether there was unanimous consent to extend the sitting by, perhaps, an extra hour considering that we had taken up some time with Routine Proceedings. At that time I might have been a dissenting voice. I think what I said may have been misrepresented.

I, too, am prepared to consent to extend the hour of sitting tonight.

Mr. Speaker: I asked the House if there were any negatives and the hon. member for Kamloops said: "Yes". It led to some confusion. However, I am glad that the hon. member has now clarified it.

Mr. Milliken: No, we are not agreeing to that.

Mr. Speaker: Oh, he has clarified his own position.

We have consent on the government side and we have the consent of the NDP. Do we have the consent of the Official Opposition?

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise on a point of order. I am not prepared to give that consent right now. I wish to consult with my colleagues briefly and report back to the government House Leader or the deputy government House Leader. But, at the present time, I am not willing to provide that consent without any form of prior discussions having taken place.

Mr. Riis: Mr. Speaker, I look forward to the consultations.

I have another point of order. We are about to resume debate on Bill C–69. Now that the government House leader is here, I would like to bring to his attention Standing Order 113(1) which reads:

> Without anticipating the decision of the House, within five sitting days after the commencement of debate on second reading of a bill which is to be referred to a legislative committee, the Striking Committee shall meet to prepare, and shall report not later than the following Thursday, a list of members of such a legislative committee—

• (1620)

Mr. Speaker, as you well know 11 sitting days have elapsed since the commencement of debate on Bill C–69. That is more than twice the maximum time allowed under this Standing Order. The question to the government House Leader is this. Why has appropriate action not been taken since the debate on Bill C–69 commenced some days ago?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, let me say, first, in terms of the question of extending the hours, the offer still stands.

In terms of the second question, I will have to look into it. Presumably it had something to do with the break and other preoccupations, but I will look into the matter and get back to the hon. member.

This is of course a finance bill. As has been the habit concerning all bills coming out of budgets and so on, we have been sending them to the Standing Committee on Finance which, of course, would be the most expeditious way to proceed.

If there is unanimous consent of the House at this point, we can deal with the matter and have the bill referred to the Standing Committee on Finance which is set up and experienced. The appropriate members from each party are members of it. It can be dealt with in a most expeditious fashion by that committee.

Mr. Riis: Mr. Speaker, first, that is not a good excuse for the government not doing what it was required to do under the Standing Orders. I would encourage the government House leader to be a bit more attentive to what is expected of the government in terms of dealing with legislation. If the government wants to expedite legislation, the least it can do is follow the Standing Orders and do what is required.

The request which has come is this: Will we be prepared to send this bill to the Standing Committee on Finance? Perhaps I will use this occasion to make the following point, since I notice that my friend, the chairman of that committee, is present.

Members of the New Democratic Party argued long and hard that we felt that what had transpired in the Standing Committee on Finance was unacceptable. It was not the way in which a committee should be conducted. I think I said at that time that we would not be inclined to refer legislation that was destined by our Standing Orders to a legislative committee to go to the standing committee.

That situation still stands. I understand that nothing has changed. Our concern in terms of the implications of those decisions remain and, consequently—

Mr. Speaker: I would like to respond to the hon. member, and I will hear the hon. House leader in a moment.

What he says may very well be, but it is really not a matter to raise here in front of the Speaker. I cannot become involved in that. I know the hon. House leader of the New Democratic Party would want to conduct his discussions on that subject with the hon. House leader and others.

I will now hear the hon. House Leader.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would like to indicate that Standing Order 113, which talks about setting up a legislative committee, states as well: "—the Striking Committee shall meet—". I have not seen a letter from the New Democratic members of the Striking Committee asking that this committee meet. If it is in my files, I will get to it and make sure that the chairman is aware of it so that this committee can, in fact, meet.

Mr. Riis: Mr. Speaker, perhaps I misunderstood that it was up to the New Democratic Party to provide all of the leadership in terms of moving legislation through the House of Commons. I made the error of expecting the government to take some initiative in terms of providing leadership. I will not make that mistake again.

Mr. Speaker: Whether there is consent or not, I wish to inform the House that because of the ministerial statement Government Orders will be extended by 16 minutes.

SPEAKER'S RULING

Mr. Speaker: On March 27, 1990, the hon. member for Kingston and the Islands rose on a point of order to question the procedural acceptability of attaching a royal recommendation to the government's expenditures restraint bill, Bill C-69. The hon. member delivered a well researched argument, citing several precedents and making references to learned parliamentary authorities.

The hon. members for Kamloops and Gloucester, as well as the Minister of State for Finance, also made contributions on this issue.

That exchange assisted the Chairman in considering this complex issue which relates to a very fundamental element of our parliamentary system of government—the financial initiative of the Crown.

To many of our viewing audience, and indeed many of the hon. members of the House, the subject matter of the financial initiative of the Crown sounds like an extremely Byzantine and hopelessly complicated matter. However, if you will bear with me for a few moments, the Chairman will attempt to set out the issue in

straightforward terms because it does have a serious impact on how the House conducts its business.

I wish to begin this explanation by quoting from page 247 of the *Annotated Standing Orders* which reads:

> In our system of parliamentary government, the Sovereign, as represented by the Governor General, and acting on the advice of His or Her responsible ministers,—

—that is, the Cabinet—

> —is charged with the management of all revenues of the State and the payment of all public expenditures. The appropriation—

—that is, the spending—

> —of money for these payments has to be first recommended by the Governor General to the House (known as a Royal Recommendation) and then approved by Parliament.

In other words, before the House can introduce any bill which would result in an expense to the Treasury, it must obtain a statement from the Government General indicating that he or she recommends to the House of Commons the appropriation of public revenue as set out in the bill. This is what is known as the royal recommendation.

[*Translation*]

This requirement for a royal recommendation is enshrined in our constitution. As the hon. member for Kingston and the Islands explained, section 54 of the Constitution Act, 1867 absolutely requires that a royal message of recommendation be obtained for the appropriation of any part of the public revenue or any tax prior to the adoption of a bill.

[*English*]

Prior to the significant changes in our Standing Orders relating to financial procedures, which occurred in 1968, a bill such as Bill C-69 would have been preceded by a motion adopted in the Committee of the Whole.

Under this procedure, it was fairly easy to ascertain whether any amendment proposed to the bill was in order or not because it had to comply with the detailed motion adopted in Committee of the Whole. That is a committee of the whole House with all members who are interested in that particular matter in attendance. It is not a committee meeting outside the Chamber.

However, the major complaint about this procedure was that it was too lengthy. It involved a debate to go into Committee of the Whole, another debate in committee on the motion, called the resolution stage, and further debates on the various stages of the bill.

In December, 1968, this procedure was changed. The resolution stage in Committee of the Whole was eliminated, as was the Committee of Supply and the Committee of Ways and Means. The royal recommendation was given to the House thereafter simply as a printed notice, pursuant to Standing Order 79(2), which reads as follows:

> The message and recommendation of the Governor General in relation to any bill for the appropriation of any part of the public revenue or of any tax or impost shall be printed on the *Notice Paper* and in the *Votes and Proceedings* when any such measure is to be introduced and the text of such recommendation shall be printed with or annexed to every such bill.

[*Translation*]

For several years following the changes, the form of the royal recommendation remained a detailed expression of the spending authority given by the Crown. There were occasions when hon. members complained about the scope and adequacy of the royal recommendation, or that it was poorly drafted.

This prompted Speaker Lamoureux to make the following comment on November 2, 1970 at page 782 of *Hansard*:

> I have very often felt it should not be necessary that our recommendations should attempt to go into all details of the bill because we are bound to get into difficulties. We want to know whether His Excellency thinks this is a bill with which we can proceed. If he tells us that in three words, we should take his word for it.

[*English*]

By 1976, the wording of the royal recommendation had changed. Bills introduced in the House from this point on bore a brief and abbreviated recommendation such as the following: "His or Her Excellency, the Governor General, recommends to the House of Commons the appropriation of public revenue under the circumstances in the manner and for the purposes set out in a measure entitled—" and then the name of the particular bill would follow. Under these conditions, the bill itself must now be used to determine the amount of the charge, the objects, purposes, conditions and qualifications set by the royal recommendation.

At first glance, one might think one could easily discern whether any new charge is placed on the Treasury. If a rate is increased, then it would appear to be obvious that an additional charge is placed on the Treasury and a royal recommendation must be obtained.

According to citation 540 of Beauchesne's Fifth Edition, however, the amount of the charge is not the only consideration. It states:

> The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the royal recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of the charge, but also its objects, purposes, conditions and qualifications. In relation to the standard thereby fixed, an amendment infringes the financial initiative of the Crown not only if it increases the amount but also if it extends the objects and purposes, or relaxes the conditions and qualifications expressed in the communication by which the Crown has demanded or recommended a charge.

• (1630)

[*Translation*]

As Beauchesne explains, there are instances where the objects, purposes, conditions and qualifications may be affected in such a manner as to involve financial implications. For instance, if a program is extended to cover an additional period of time or if the parameters of a program are broadened to cover more applicants, then a royal recommendation is necessary.

[*English*]

With this background having been explained, I would like to return now to the point of order raised by the hon. member for Kingston and the Islands. In his presentation the hon. member suggests that the government expenditures restraint bill reduces government spending. It does not involve any new charge on the Treasury and, therefore, requires no royal recommendation. Furthermore, he suggested these recommendations are included in bills "in an attempt by the government to stifle amendment by members of the opposition, amendments which members—are entitled to put".

[*Translation*]

In reply, the Hon. Minister of State for Finance explained that the royal recommendation was obtained for this bill on the advice of the Office of the Law Clerk and Parliamentary Counsel because some provisions in the bill widened existing conditions. He referred in particular to clause 2.

The Government Expenditures Restraint Bill is an extremely complex piece of legislation. The hon. member for Kingston and the Islands himself described the bill as containing "all kinds of formulae that I do not understand". The Chair has a great deal of sympathy for all hon. members on both sides of the House who attempt to glean some understanding from bills of this kind.

[*English*]

A review of clause 2 shows a formula for calculating limits on the 1991 contributions under the Canada Assistance Plan. Clause 5 provides for an escalator formula in the Federal–Provincial Fiscal Arrangements and Federal Post–Secondary Education and Health Contributions Act.

There is no doubt in the Chairman's mind that the proposals in Bill C–69, which is an amending bill, will change the conditions and qualifications that were attached to the original legislation recommended by the Governor General. The result from the calculation of any of the formulae may or may not cost the Treasury less money but the manner and the elements used to arrive at such results are certainly new.

The Chairman would therefore conclude that a royal recommendation was appropriate.

As for the hon. member's concern that the presence of a royal recommendation might restrict the opportunities for amendment, it is my view that this should not preclude any hon. members from moving amendments to clauses of the bill at committee and report stages subject to our normal rules and practices. In committee, hon. members can propose amendments to any clauses. If any amendment is thought to be irregular, there is normally opportunity for procedural debate, followed by a decision of the chairman.

Furthermore, report stage provides another opportunity to put forward amendments. As hon. members know, there are normally consultations on the selection of amendments as well as on the groupings for debate and division. Any proposed amendment will, however, be subject to our practice that it cannot affect the objects, purposes, conditions or qualifications of the financial initiative.

Speaker's Ruling

I wish to thank the hon. member for Kingston and the Islands for raising this issue and providing the Chairman with an opportunity to clarify our practice with regard to the royal recommendation.

The Acting Speaker (Mrs. Champagne): Before resuming debate, I wish to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Lambton—Middlesex—Agriculture; the hon. member for South West Nova—Fisheries; the hon. member for New Westminster—Burnaby—Women's Centres.

MEASURE TO AMEND

Ms. Joy Langan (Mission—Coquitlam): Madam Speaker, before the debate on Bill C-69 adjourned on March 27, I was in the process of discussing the impact of the Expenditures Restraint Act. I suggest that after the minister's tabling today we should perhaps call it the "Consumers' Restraint Act".

When I was discussing Bill C-69 I discussed the fact that social assistance services cannot now meet the demands of low income Canadians and their families. We have witnessed a rise in the number of Canadian families forced to go to food banks. Forty per cent of all food bank users are children. Not your children, not my children, but Canadian children are forced regularly to the food banks for their very subsistence.

This government has done nothing to help low-income Canadians and has, in fact, abandoned its responsibility to ensure that social assistance programs are available to all of those in need.

When I last spoke, I spoke about the fact that welfare rates are not adequate in my home province of British Columbia. I also mentioned that, in my view, this is because the British Columbia government is strangling the welfare system and leaving a province that should have a normal economy in the enviable position of being a have province.

Indeed, just this week, the province brought down a budget which purported to be a balanced budget but, in fact, was another smoke and mirrors budgets which is so often the case in British Columbia.

On March 27 I read into the record statistics from a 1989 report from the Social Planning and Research Council of British Columbia. Those statistics outlined that the shortfall for welfare recipients in British Columbia ranges from 83 per cent for a single male person to 44 per cent for a single mother with one child. One example is that a single mother with two teenaged children would find a shortfall of 66 per cent. She receives $986 but needs $1,633. That is a hypothetical example, but you could couple that with the housing crisis, not just in British Columbia but across the country.

Life for a social service recipient in any province in this country is extremely difficult. The Canada Assistance Plan represents the principle that regardless of where one lives in Canada, whether it is on Vancouver Island, the lower mainland, the prairie provinces, eastern Canada or northern Canada, one should be eligible to receive support payments that will meet the basic needs. In fact, the proposal under Bill C-69, the capping of the Canada Assistance Program in British Columbia, Alberta and Ontario, denies that basic philosophy and sends us down a different path for the future with regard to support for Canadians.

The ceiling on CAP expenditures is a transfer of responsibility from the federal to the provincial government. That will reduce the federal government's ability to ensure equal treatment in the delivery of social services. A cap on the Canada Assistance Plan means fewer and reduced services in those provinces in which the cap is applied.

A cap on the Canada Assistance Plan means less flexibility for the provinces in the delivery of service as no new moneys will be available. This measure could cut short Ontario's plan, for example, to redesign its social services. There will be fewer services at a time when cuts in the unemployment insurance program will force more people on to the welfare rolls. Less money will mean lower relative welfare rates and a greater reliance on food banks and other charitable sources.

Let us not forget the clawback on family allowance and old age pensions that has already been put forward by this government in Bill C-28.

• (1640)

This is the same kind of pulling away from a national commitment, in this case to seniors and again to mothers and children. Those who will bear the brunt of these measures are those who are already being squeezed by the provincial governments, particularly in Ontario by cuts to food banks, in Alberta by the Alberta budget of

1990 and in British Columbia by the low welfare rates, the health care expenditure cut-backs and rising tuition fees.

If we take a look at the throne speech and the 1990-91 budget that has just come down in British Columbia, again we will see further squeezing on those who were dependent upon the government. Is this the kind of federal-provincial co-operation that we can continue to expect from this government, or is there a genuine and serious commitment to co-operation that will ensure that which every Canadian has the right to expect, an equitable and basic income?

I will only speak briefly to the Canadian Exploration Incentive Program Act, which is also amended in Bill C-69, because I think there are members from Alberta who will be speaking at great length on this matter. The value of the Canadian Exploration Incentive Program Act to Alberta is approximately $47.3 million. Of the total cut, about 30 per cent is in the oil and gas industry, 90 per cent of which would be accounted for in Alberta.

Then there is OSLO, Madam Speaker. The same government that is willing to give an over $1 billion, absolutely free, no strings attached grant to Hibernia has decided to axe OSLO. That is another $650 million right out of the pockets of Albertans.

I would now like to address clause 5 of this bill, the cap on the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act. This is the third attack by this government on the EPF. In 1986 the EPF formula was adjusted downward by 2 per cent, further eroding the funding base for the provinces in the face of inflation. In 1989, the formula was again adjusted downward by a further 1 per cent. It must be noted that these cuts affect all provinces. Now we see the three provinces of Alberta, British Columbia and Ontario facing a further limit on transfers of 5 per cent. This amounts to a substantial reduction in transfers in real terms to those provinces.

The EPF is the largest social program financed by the federal government. The money is transferred to the provinces to pay for hospital insurance, medicare and post-secondary education. This bill effectively freezes transfers to the three provinces given an inflation rate of 5 per cent. The cumulative effect of the past cuts and the proposed freeze are phenomenal. For Alberta it means a loss of $999.4 million. For Ontario it means a loss of $3.9 billion, and for British Columiba it means a loss of $1.3 billion over the next five years. When federal money is cut the provinces have only two choices— raise taxes or cut services. Well, the provincial government of British Columbia has just announced in its budget that it will not be increasing taxes, so the alternative is to cut services.

We will see increasing pressure to create a two-tiered health care system such as the recent proposal that came out in Alberta where basic health care is insured but "extras" such as drug plans, physiotherapy and chiropractic care are not.

In education, where the percentage of federal funding is even higher, 65 per cent of provincial expenditure on higher education is provided by federal money. These cuts pose a direct threat to both the quality of and accessibility to universities and colleges. At a time when our whole society is moving ahead and advancing dramatically in this new age of technology, this new age of information, our children are having a harder and harder time going to university because of higher tuition rates. The universities are having a harder and harder time keeping up to the changing technology, the changing information and the increasing numbers of students who are coming to their doors.

These cuts must be considered in light of the government's other attacks on regional subsidies such as VIA, the fisheries, agriculture and unemployment insurance, and also in light of the continental restructuring taking place since free trade. The smaller the federal presence in these programs, the greater the pressure to privatize these services. This must be recognized as a deliberate side effect of cuts to provincial transfers.

The National Federation of Nurses Union have said:

> It is our belief that Canada's health care system is under siege. Every time we look around someone else is taking a swipe at health care in this country.

The Canadian Association of University Teachers comment:

> Higher education is in fact an investment as much as an expenditure. The finance minister talked in his budget about the effects on future generations. The effect of failing to compete with the Americans, the Japanese and many European countries in educational investment will be to ensure a future for our youth as hamburger flippers rather than as meaningful participants in the technological era that is upon us.

That was a response to the 1989 Budget by Professor Peter King. One would wonder how many hamburger flippers Canada can afford to turn out.

The theme of Bill C-69 and of the other legislation that has been introduced by this government in the area of social services, is one of cruelty and hypocrisy. There is Liberal hypocrisy as well because under 6 and 5 in 1977 the requirement that health and post secondary funding had to be spent on health and post secondary education was abandoned.

In British Columbia, in particular, the popular belief and oft-cited allegation is that the money is spent not on services and education but in fact on pavement.

When the member for Prince George—Bulkley Valley asked the Secretary of State if they had studied this problem and to tell us that this was not the case, the reply was: "You will have to trust us". The member for Prince George—Bulkley Valley has a private member's bill calling for a return to the pre-1977 era when we had accountability for the expenditure of these funds. We would hope that members opposite, on the government side of the House, and the Liberals, would support this initiative.

Women will be hurt by this freeze. Yet again women are caught in the squeeze and the freeze when it comes to funding. It will mean a loss of jobs for women who are the majority of health care workers.

When looking at the whole picture of how this government handles money there are a couple of figures that I have trouble getting out of my mind. One is $1,721,170. That is the amount of the smallest of three government grants given to Noranda in 1988. Noranda is the giant natural resources holding company. In 1988, it made $603 million in profits. It also deferred $233 million in taxes that it will probably never pay, and it does not even have to pay interest on those deferred taxes. The $1,721,170 is more than the $1.6 million cut from 80 women's centres across Canada. It is as much as many programs in Canada need to survive. That $1,700 million would go a long way in any province where welfare cuts are happening because of the capping of the federal program.

• (1650)

The Prime Minister stated during the 1988 election campaign that the free trade agreement fully protects and preserves all of our existing social programs and places no restrictions whatsoever on our ability to improve and expand upon them.

We have seen, over the mandate of this Parliament, one after another of our social programs attacked and cut back. I am waiting, as I am sure every member on this side of the House is waiting, to see one improvement and one expansion of social programs.

In November of 1988, the Prime Minister said: "Why would I do anything other than ensure that my mother and all the mothers of this country get the programs to which they are entitled and richly deserve? The simple unvarnished truth is that medicare, pensions and social programs are not at risk". That from the mouth of the Prime Minister in 1988.

Well my mother is not impressed. Many mothers in Canada are not impressed, particularly women who are elderly and mothers of young children. Yet, we have seen clawbacks to the old age pension and child allowance. We have seen a cap on the Canada Assistance Program as represented in this bill. We have also seen the UI cuts.

Mr. McDermid: Your mother is making $80,000 a year then.

Ms. Langan: My mother is not making $80,000 a year. My mother is a pensioner.

Mr. McDermid: Well then she's not caught in the clawback.

Ms. Langan: I have obviously touched a nerve on the government side of the House and have awakened a bunch of members who were busily mumbling in their beards up until now. I am telling you that there is not a mother in this country, possibly with the exception of the Prime Minister's mother, who is impressed by the agenda of this government.

You cannot even get a handle on it. You cannot go out and say, "this is the government's agenda". It is so insidious.

Bill C-69 is so bad that I would like to move the following amendment:

> That the motion be amended by deleting all of the words after the word "that" and substituting the following therefor:
>
> Bill C-69, an act to amend certain statutes to enable restraint of government expenditures, be not now read a second time but that it be read a second time this day six months hence.

[*Translation*]

NOTICE OF ALLOCATION OF TIME FOR CONSIDERATION AT THE SECOND READING STAGE OF BILL C-69

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, I have two notices to give to you and to the House.

I stress that it was not possible to reach an agreement pursuant to Standing Orders 78(1) and 78(2) regarding allocation of time for second reading of Bill C-69, the Government Expenditures Restraint Act.

Pursuant to Standing Order 78(3), I give notice of my intention to move a motion at the next sitting of the House for the purpose of allotting a specified number of days, or one day, for the consideration and disposal of proceedings at the second reading stage of the above-mentioned bill.

NOTICE OF MOTION PURSUANT TO S. O. 57

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Also, Madam Speaker, pursuant to Standing Order 57, I give notice that at the next sitting of the House, immediately before the Order of the Day for resuming the debate on the motion by the Minister of Finance for second reading and referral to a legislative committee of Bill C-69, the Government Expenditures Restraint Act, and any amendments thereon, I shall move a motion that the debate not be further adjourned.

Of course, Madam Speaker, if agreement is reached with the opposition parties, we will review the procedure.

[*English*]

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-69, an act to amend certain statutes to enable restraint of government expenditures, be read the second time and referred to a legislative committee.

Mrs. Diane Marleau (Sudbury): Madam Speaker, I am here to speak today to Bill C-69, a bill implementing four measures for budget restrictions announced in the February, 1990, Budget. I am going to repeat them so that we can be very clear on exactly what we are debating here today.

The first one freezes federal transfer payments to the provinces under Established Programs Financing. It freezes transfer payments for post-secondary education and health care.

The second one limits the increase of federal transfer payments to Ontario, British Columbia and Alberta under the Canada Assistance Plan, which affects social programs.

The third one eliminates the Canada Exploration Incentive Program, which affects mining, gas and oil industries.

The fourth one freezes public utilities income tax transfers over the next two years.

At first glance this might seem to be innocuous language and taxpayers might say that since they are not getting an increase in taxes it may not be so bad. But the people of Canada are very well informed and they are very much aware that a cutback in transfers will probably translate into increased taxes.

I was reading the March 1990 issue of *Policy Options*. In an article in that publication Grattan Gray says:

> The government camouflages regressive changes to trick Canadians into believing that tax increases are tax cuts and that benefit cuts are increases.

This is another example of this kind of subterfuge. Not only is the government about to impose the GST, the greatest tax grab and most regressive tax in Canadian history, through this budget and with this bill it will impose cuts of over $7.5 billion to the provinces over the next five years. Never before have so many been taken for so much and been left with so little.

I will start with the Established Programs Financing. This program provides equal per capita financial assistance to all provinces to assist in the funding of health care and education.

In 1982, the Minister of Finance was opposed to cuts in the Established Programs Financing. This is 1990 and, obviously, he has changed his tune. He stated that cuts to EPF:

> —could have disastrous effects on the universities and on the colleges, on the hospital funding and on the operation of the hospitals. Let us not make hospitals, universities and colleges a battleground between the federal government and the provincial governments. Let us solve those problems not on the backs of the hospitals and universities; let us solve those problems outside of that arena.

• (1700)

This was reported in *Hansard* at page 15776 on March 24, 1982.

Mr. Volpe: I wonder why he changed his mind.

Mrs. Marleau: I wonder why he changed his mind. When faced with that kind of tactic, the provinces will have very little choice but to either cut back their funding of these institutions and therefore post-secondary education students will have to pay higher fees.

In hospitals, the odds are that the increased costs will be passed on either in cuts to services or in increased taxes at the provincial level, or again, in increased taxes at the municipal level when the province has to make some very serious choices as to where they will find the funds to continue providing the level of service which is essential to our people, which Canadians expect, and which they deserve.

Let me also add that this is the third time that the federal government has cut the Established Programs Financing in the last few years. The total loss to Ontario from these cuts will amount to over $11 billion. I am very well aware, and so are the taxpayers in Ontario, that a taxpayer is a taxpayer is a taxpayer. If one does not pay the bill at this level, the province has to foot the bill, and there is only one taxpayer at the bottom of the heap. If that taxpayer's municipal taxes are forced to increase or if his or her provincial taxes increase, whichever way you want to look at it, it is that same middle-income average person who will have to pay the price.

Many of these people are in serious difficulties now, especially in some of the regions in this country where people live on fixed incomes, have retired and own their own homes and are trying to maintain them. They are looking at increased municipal taxes. They are very worried about the increase in natural gas and heating and hydro that the GST will inflict upon them. They are very worried, and with good reason because they do not know where they are going. They wonder why is the government doing this to them. Is there no way of stopping this?

I ask, please reconsider some of these measures. Let us tackle the problem of the debt together, but let us not pass it on to those who can least afford it. It is important that we consider all people and that we treat those who cannot pay with very much consideration, and those who can pay, that we make them pay properly.

The Canada Assistance Plan is the basis for social assistance in Canada. Under the plan, the federal government matches provincial expenditures for social assistance programs. This does not only include what we generally refer to as welfare, but also things like services and living services for the disabled, foster homes for abused children, shelters for abused wives and child care for low-income families. These are all of the things that are going to be curtailed or at least held back in the three provinces affected.

The three provinces affected by this contain about 49 per cent of Canada's poor and they are no less poor because they live in Ontario, Alberta or British Columbia. It does not change the fact that they are poor.

I quote from a press release from the Canadian Council on Social Development: "Poor children will suffer when the federal contribution to the Canada Assistance Plan is capped for two years for Alberta, B.C. and Ontario. The plan provides direct payments to poor people with no other income, 40 per cent of whom are children and half of whom live in the three provinces affected".

Through this measure the government claims that it will save $151 million over two years, but at what expense? Maybe the government will save it, but the next level will have to pick up the bill, because we are a caring society and we will not allow these people to go without at least the very basics that they are receiving now, which I will admit is not a very large amount.

These cuts are very unfair in terms of the provinces concerned. They are the rich provinces, I will agree to that. But they are also the three provinces which do not receive equalization payments. They are being singled out by this set of cuts. The budget makes no allowances for increases in the number of people receiving social assistance, even though the government's own projections predict an increase in unemployment next year.

Capping the Canada Assistance Plan for the next two years will cause welfare costs to increase. Combined with the changes to unemployment insurance, this will put an additional burden on municipal property taxpayers.

Other areas funded by the Canada Assistance Plan affecting provinces and municipalities are day care and other social programs that municipal governments have been handed. We had a case in point in Sudbury just recently. There was a proposition that a number of subsidized day care spaces be funded by the municipal government. The municipal government felt that it just could not find the additional cash to do this. It is already very worried about its own tax base. I feel very confident that it will find the moneys for these additional spaces over the next six months or so and I encourage them to do it. However, it bothers me that there is a cap put on that funding so that it will affect even further any additional spaces that might be considered.

We must remember the number of children who are in need of adequate child care because they are being raised by single parents, single mothers and fathers, who must go out and earn a living if they are to not remain on the welfare rolls. One thing leads to the other, if parents do not have adequate day care and subsidized day care, how can they go out and find any kind of employment that will offset the kinds of costs that are associated with having a family? We must help them so that we do not have generations of poor children growing up in a very rich land.

I am going to spend a little more time speaking on the cancellation of CEIP. CEIP is the Canada Exploration Incentive Program. It affects gas and oil as well as mining, but I will be referring in my comments mostly to the mining sector because that is the one with which I am the most familiar.

The Canada Exploration Incentive Program was announced in May, 1988. The program was designed to assist the junior mining and oil and gas sectors in raising equity capital to enable the exploration of oil, gas and mineral reserves in Canada. CEIP provided cash incentive contributions to qualified corporations based on 30 per cent of eligible exploration expenses incurred pursuant to a flow-through share agreement. The 30 per cent incentive rate was to be fixed until December 31, 1990. It was stated that after that date the rate may change, however, a minimum of six months' notice would be given prior to any change.

That is what we were given to believe in December, 1989. Program administration had been designed to ensure prompt payment of incentives, and application processing, inspection and auditing procedures were intended to be as straightforward and efficient as possible.

In the mining sector this was put in to take the place of another program which had been cut back, another program which had really helped greatly in the mining sector. I refer to the Mineral Exploration Depreciation Allowance which had been in place since 1983.

We all recall in the early 1980s the dire straits that the mineral industry was in, especially in northern Ontario. I refer to the Sudbury basin when the price of nickel plummeted well below $2 and there were no profits anywhere. The mines in my area were shut down for 10 months. It was a very difficult time for my area in particular and it was a very difficult time for northern Ontario and all of the mineral industries there.

• (1710)

In 1983 the then Liberal government introduced the Mineral Exploration Depletion Allowance to encourage the investing of moneys in the mining industry. Subsequent to 1983 there was an increase in the amount of funds that were invested in junior mining firms.

In the mining sector, when the minerals are pulled from the ground, there are no new ones. They do not grow back. The mining industry is responsible for, I believe, 25 per cent of Canada's exports. That amount of exports generates a great deal of tax dollars.

When a mine runs out of a mineral, the only way of replacing an empty mine is to find a new deposit. Therefore, it is absolutely essential that we continue to explore and find new sites so that a very viable, very good mining industry which we have developed in Canada can continue to flourish.

Therefore, in 1983 the government decided to try to encourage it because it was in dire need. In 1987, as much as $1.4 billion or $1.5 billion was being invested in exploration and development of new mines across the country. Of course, that was too good and we could not let it continue so we cut it off and we brought in another program and again we promised that we would not cut that one back and then we replaced it overnight by CEIP and now again we have been told that there would be no

changes in this program until December 31, 1990 and whoops, in February, 1990, it has gone. Okay, we will honour any contracts that have already been entered into, but nothing else happens.

Perhaps the government does not want to give grants to mining companies and especially to junior mining companies. The mining exploration business is a very risky one. If interest rates are very high, as they are right now, the investors would be much happier to just put their money in the bank and collect interest and forget about investing in very risky businesses.

As a result, and we see it now, I believe that in 1989 the actual amount of moneys invested in exploration and development was about $600 million. It is projected by the Department of Energy, Mines and Resources that in 1991 there will be only about $430 million invested in the exploration and development of new mines. That will be spent by the major mining companies that of course always continue to try to keep their stock of mines going.

But it is in effect the junior mining companies who really take the risks, and it is especially important that there be some kind of mechanism put into place to entice the investors to place their money with these junior mining companies in order that we may find new sites and develop new mines, so that when a mine closes in one area, that there is another one somewhere, hopefully fairly close to the one that closed, that can use that expertise and that well trained labour force that is in place in the one area.

I would refer in this case to the miners from Elliot Lake. We have there a fine, well trained workforce and they are losing their jobs. There are upwards of 2,000 people in Elliot Lake who will be losing their jobs shortly, if they have not already. We must have other mines that are developed so these people can continue earning their living. They do not want to be on unemployment insurance. They do not want to be on social assistance, any more than the fishermen of Newfoundland wish to be on social assistance or on unemployment insurance.

It is absolutely essential that this government try in some way. As the Liberal party, we are pushing for an enhanced flow-through share mechanism. If it is not an up-front grant, such as CEIP was, then let us go back to some kind of a fair tax incentive, so that the public will be investing in mines, not the government but the public. When new mines are generated, become operational and their profits start to roll in, then the government will reap the benefits. The government, by being very short-sighted and saving a few dollars now, will find that, down the line, there will be nothing left in this mining industry. Where will the government be then without those tax savings?

I am very concerned about the cancellation of these programs because these programs especially affect the regions of the country.

In conclusion, in every case the government has tried either to pass the buck on to other levels of government or to make cuts in areas which are not easily viable. Every government must make tough spending decisions. Municipal governments know this better than anyone else. I want the federal government to be open and honest and make those tough decisions, but not through a sham, such as this, and not on the backs of the poor and the regions of the country.

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, I wish to make a comment and ask a question of the hon. member who has just given a rather insightful analysis of some of the problems of the budget.

An hon. member: Insightful?

Mr. Volpe: I see that some of my colleagues from southwestern Ontario also agree with me, at least I can judge that by their interventions. They were probably most impressed by the member's understanding of flow-through shares and the need for the government to become involved in an economic strategy, an industrial strategy, and a mining strategy. I know that they will probably be more than willing to present those kinds of views within their caucus. At least, I take that, from their interventions and my mentioning that, to be a sign of good faith and an applause for the member who has been so forthright and so incisive in her understanding of the budget. I compliment them on that.

There are two points that I wanted to address to my hon. colleague and they refer to the EPF financing, especially with respect to the implications for post-secondary education, hospitalization and medical facilities available to Canadians throughout Canada.

I know that the hon. member focused on the negative implications for British Columbia, Alberta, and Ontario. These are the three provinces which have been targeted by the government for cuts. I want to draw to her attention two points and perhaps she could comment. I am asking for only a very brief response, if possible.

Over the course of the last couple of days, a Noble Prize winner, a Canadian—I dare say almost a former Canadian—Mr. Polanyi, indicated that research and development in Canada is at an abysmal level. I think he indicated that he was ashamed even to refer to the kinds of programs that emanated from Canada as being thought of as participating in research and development.

Given our Constitution and the federal government's inability, constitutionally speaking, to be involved in the education of all Canadians on one level, except at the post-secondary level, and given that the federal government can use post-secondary education as a great leveller and as a great stimulus for research and development and for providing a national scope, a vision of where funds would be used in order to develop not only an erudite society, not only a well prepared society, but also to stimulate research and development that can be applied to the new technological necessities of tomorrow, and given as well that the government has chosen not to act on what is in its purview under the Constitution to do, and instead has decided to withdraw funds from the three provinces that appear to be in a position of leadership by virtue of the health of their economies, can my colleague indicate to us if she has been given an indication by the government or the Minister of Finance, if there is a government alternative that will replace the funds that the Minister of Finance will no longer put at the disposal of Canadians who want to establish a standard for all Canadians in technology, research and post-secondary education?

• (1720)

Is there a government alternative to cutting back those funds from those provinces? Is there, in fact, something the government is proposing to give to the other seven provinces that do not share those kinds of possibilities.

The Acting Speaker (Mrs. Champagne): The hon. member for Sudbury will be happy to know that she still has a few minutes to answer.

Mrs. Marleau: Madam Speaker, I must be very honest and cut all the sham. I must answer no to my colleague. There is no other plan by the government.

I am always surprised at the kind of rhetoric that the government is capable of putting forth. At a Conservative general meeting on August 25, 1989, the hon. Prime Minister stated, in a nice deep voice: "This government will carry its fair share of the burden to ensure that all young Canadians receive a first-class education as they confront a world-class challenge". It is a simple case of saying one thing and doing another, as the government has consistently done over the five years that it has been in power.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, first, I want to compliment the hon. member on her address.

I have been listening to many people in my riding and other ridings across Canada in the last few months. What I am hearing from many people, especially labour, is that there is a tremendous sense of hopelessness and the morale is bad.

In order to develop a competitive mood, a sense of national productivity or global competitiveness, the first thing we must have is a happy, productive workforce. If, suddenly, in the middle of a period when morale is bad in our labour force, the government comes along and adds a further complication by giving us a complicated and unnecessary goods and services tax, the GST, is this further disincentive and pressure not going to put further stress on our health care systems and municipal services?

Would the government would be further ahead in trying to increase its revenue base and productivity if, instead of looking at the need for taxes in a technocratic way, it went back to the root of the problem and realized that no matter how much tax we were given, before we are really going get productivity—which ultimately will generate the revenue and even take pressure off our social services and health care? Should the government

go right back to the drawing-board and start rebuilding the morale of the country, especially on the shop floor?

Mrs. Marleau: Madam Speaker, I agree, absolutely and completely. It is not only on the shop floor, but everywhere across the country.

While I was home during the last ten days on the Easter break, I had a number of phone calls. One person, in particular, said to me: "What can we do to bring back the feeling of wellness that we used to have in being Canadians and in our businesses?" This particular person expressed a fear that things appeared bad and people felt bad, so things got worse and that, if somehow the government could instil confidence in the Canadian people, then there would be a change in the trend.

When people feel better about themselves, they do better things. You invest a little money and you get a lot more in return. I am talking about this with the mining aspect of the budget in mind. If there are no grants—I know the government does not like to have grants of any kind if it can help it—then have an enticement for the public to use their money to invest in all kinds of businesses which will make our economy strong and bring back the kind of hope and joy to our economy and our people across Canada in all regions of the country.

Mr. Don Blenkarn (Mississauga South): Madam Speaker, I am distressed at the rhetoric that we hear from the other side.

Some hon. members: Oh, oh!

Mr. Blenkarn: We have a problem of a great national debt and we have a problem that the federal government for a long period of time has been financing what are provincial responsibilities. Post-secondary education is a provincial responsibility. Social assistance is a provincial responsibility. Health care is a provincial responsibility. Medicare is a provincial responsibility.

So, here we are with a federal government running a massive deficit and criticism all over the place by those on the other side. When something is done to redress that imbalance by asking those provinces running in surplus to pay for the programs that they ought to pay for anyway, we hear crying, weeping, and wailing. Now what kind of nonsense is that?

Mr. Mills: We were constructive. We are listening to the people.

Mr. Blenkarn: My friend says he is constructive. This week the province of British Columbia produced a balanced budget, indeed a budget forecasting a surplus. The province of British Columbia is well able to look after those in that province in distress who need social assistance, day care, and all of the things that our people in urban societies require. That province is running a surplus and we hear cries that the Canada Assistance Plan for the province of British Columbia is being cut to a growth rate of only 5 per cent, approximately the inflationary rate. Surely to goodness, the province of British Columbia, in its financial position, can look after its own.

The same can be said for the province of Ontario which last year ran a surplus. Tomorrow, Mr. Nixon comes forth with his budget. I will bet it is a surplus budget. I will bet, notwithstanding the changes proposed in this bill, that the provincial economies, the provincial tax measures, and the burgeoning growth of revenues from those provinces, are more than sufficient to handle the problems of those provinces.

Mr. Gardiner: Madam Speaker, I rise on a point of order. I could not let the hon. member get by without correcting him on one point. He makes reference to the province of British Columbia and its recent budget—

The Acting Speaker (Mrs. Champagne): The hon. member should know that this is a point that he may want to raise in debate at a later time, but this is not a point of order. The hon. member for Mississauga South.

• (1730)

Mr. Blenkarn: Never mind, Madam Speaker, he never makes sense anyway.

We have a situation where provinces are strong, where provinces have ample revenue. Indeed, we have a situation where the treasurer of the province of Alberta boasts that he is so rich that he does not even need to have a provincial sales tax. We have these people crying on behalf of the wealthy. With the condition of the economy of this country, surely it is an obligation of all of us to say to those governments that can raise the money:

"Raise the money and pay your own bills. Don't be looking for hand-outs from the federal government."

Surely that ought to be the aegis of how we operate the finances of this country in the 1990s. We cannot go back to old history and say: "At one time the federal government had the wherewithal to make massive transfers." Therefore, ever and ever and ever it should make these massive transfers. That cannot be the case. Surely there is a time when some sense of fiscal responsibility ought to be heard. These people claim they want to be government. The Liberal party claims it has the whim of public opinion behind it, that it has massive public support.

If they are going to be government, how do they propose to pay the bills? Do they propose to invent new trees behind Parliament Hill where they can pluck the $100 bills. Or, do they propose to rearrange the financing of the country in a more sensible fashion, the kind of rearranging set out in Bill C-69.

We have, unfortunately, the haves and the have nots this country, but surely the haves can carry their own freight. Surely a reasonable way of doing things is the kind of suggestions made by the Minister of Finance in his budget as set out in this bill. To say for one moment that welfare moms are not going to be looked after in rich provinces is to say that the treasurers and health officials of rich provinces are mean spirited, because the very fact of the act itself is a cost sharing act except the federal government has said: "Look, for the time being, we can't cover our full cost share without limit. We are limiting our cost share to 5 per cent. If you want to go further, go further."

Wealthy provinces ought to go a lot further because that is their responsibility. They have a balanced budget. They are, in many cases, in surplus or could easily be in surplus.

In my province, a Liberal government has increased the public service by 9,000 persons in four and a half years. Isn't that awful? Isn't that something else again? They clearly are well off. They are floating in public servants. They could tighten their belts. They could go a lot further on behalf of welfare moms. To blame the federal government because we put a cap on the CAP even though they have a balanced budget is pretty meanspirited, and certainly not within the concepts of the kind of Canada we ought to be building.

Make no mistake about it. No one on this side of the House likes to see cut-backs in social expenditures, but members on this side of the House have to be responsible. It is easy to call for more and more and more. Let's see some responsibility. Let's see some sense of leadership. Let's see if they can justify their role in the poll, or is it only because we are unpopular? Put your vote and park it with them, because it must be just a park. They do not show any leadership and they do not have any policies. This bill is a sensible bill because it comes to grips with the EPF, the CAP, the growth of expenditures and the transfers made from the federal government to the provinces.

Is it conceivably fair that the federal government should limit the growth of its departments to less than 3.5 per cent, year after year, back to back, from 1984 forward and these transfer programs increase at 6 per cent to 7 per cent per annum? Is it fair that those transfer payments should exceed the growth of federal departments year after year just because of an old agreement? That is how we got in the hole in the first place. We have to get this country out of the hole. We have to get this country standing on its own feet again. We have to get this country so it can pay its bills. We cannot pay our bills by encouraging profligacy in the hands of the provinces. It is time that the opposition understood that and opposition speakers spoke sensibly, asked themselves in their own conscience where the money is supposed to come from, paid attention to the deficit and did not say more, more, more, Ma'am, ever more, even though their plates are full.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, the hon. member for Mississauga South is someone for whom I have a lot of respect.

I want to tell you that today he was quoting selectively. We only have two provinces in this country that have a balanced budget. I am not here today to defend the provinces. I tend to think that in some respects the provinces should be carrying more of the burden in this country.

What we on this side of the House are trying to say is that if you have some productivity in the country and all of a sudden it will produce some goods and services that will cost a lot less, that in turn will promote foreign investment and bring interest rates down which will affect everything from mortgage payments to the cost of servicing the national debt. When you ask what we over here will do to pay the bills, one thing we will do is listen to people because this government is not listening to what people are saying. You ask how we are going to get

out of the hole. The only way we will get out of the hole is to galvanize people in the country. They must pull their weight and then some. Because this government does not listen, it does not get the kind of productivity that is needed to get out of the hole.

My question to the member is this. He knows the importance of global productivity. This was a man who during the last election kept his trust with the people. He was the only member on that side of the House who admitted that the GST was going to add an extra $10 billion on to consumers. That trust was respected by the people of Canada at that time. When he knows what the GST is doing to the morale of this country, will he not agree that by increasing the morale we get productivity, lower interest rates and that is the way to attack the deficit in every part of the country.

Mr. Blenkarn: Madam Speaker, when you write books on tax reform and you mix tax reform with Bill C-69 and then you confuse the GST with tax reform, you begin to wonder where the hon. member comes from. But let us deal with—

• (1740)

Mr. Mills: Drop the smugness.

Mr. Blenkarn: The goods and services tax is a tax provision that changes our consumption taxes and increases the productivity of the country by 1.4 per cent on average, increases the gross domestic product by $10 billion, increases the employment in the country by 60,000 a year—

Mr. Mills: It's a disincentive.

Mr. Blenkarn: —and so it is the kind of thing he ought to be advocating. But let us get on to this bill.

Here is a situation where the EPF has been growing by 6.3 per cent on average since 1984-85. While other government expenditures have been kept below inflation, indeed a full 1 to 1.5 percentage points below inflation, the EPF has been growing at 1.5 times inflation. What we have is a curtailment on the EPF transfers for two years to those provinces that can well afford to take the hit. What we have on the CAP is a restriction to those provinces—not to 3.5 per cent as federal departments are restricted, but to 5 per cent, instead of a CAP growth of an annual 6.7 per cent for a period of time.

Surely to goodness that is what he ought to be addressing. What he ought to be addressing is the fact—

Mr. Mills: You should be addressing the morale of this country.

Mr. Blenkarn: The morale of this country is right, and the morals of the country, too, the morals of someone who would say: "You are honest; you said there was going to be an increase of $10 billion." There is not. There would have been if we had played with the New Zealand figures and a whole lot of other concepts. But all you do is read headlines. My friend is a headline reader and a headline hunter. Big headlines, big hunter, big nothing on that.

Madam Speaker, the answer is that this bill is important for Canada and the Liberal party ought to stand up for it.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, I have two questions for my friend from Mississauga South. The first, he made reference in his speech about—

An hon. member: So you're friends now!

Mr. Gardiner: The member wonders whether I should use the word "friend". My colleague from Mississauga South commented in his speech about the provinces being wealthy and therefore it should not be a big problem with the bill we are currently debating. He mentioned the surplus in British Columbia and it is obvious he has done some research on this. In fact he would know by looking at the budget, as I am sure he has done, that this so-called balanced budget was created from a fund called the Budget Stabilization Fund.

In light of his comment that the province has a surplus, and in light of the Social Credit BS Fund, my first question is can he explain how the BS Fund in British Columbia operates. Second, he asked about the opposition being responsible. I am wondering if along that line he would then support my private member's bill that would call on the federal government to ensure that when these transfer payments to the provinces are made for health and post-secondary education. For this accountability and responsibility that the member talks

about so often, would he support a bill that would impose upon the federal government an obligation to ensure that those funds are spent in those areas?

The first question asks for an explanation of the Budget Stabilization Fund in British Columbia; the second one, is he prepared to be responsible as he says he is?

Mr. Blenkarn: We will deal first with the fund in British Columbia. The government there has had the ability to put money aside and raise surpluses for many years. Indeed, the time has long passed when this measure should have been brought forth. The ability of the province of British Columbia to generate revenue, to pay the costs of its services, is well known.

Whether their surplus comes from stabilization funds, heritage funds or extra money that is put aside because they have taken more in taxes in the past than they needed to, indicates that they have the ability to pay their bills and look after them well.

Let us deal with the other issue. The other issue is EPF and whether it ought to be designated. My friend may not know it but there is an arrangement in the portion of the Established Programs Financing dealing with post-secondary education requiring an accounting that the money in that transfer go to post-secondary education. Unfortunately, the EPF is so structured that every province has been able to show that the cash portion of the EPF represents more cash than they pay to post-secondary education.

The EPF is a complicated program. It involves cash, tax transfers and the understanding of what tax points are worth. The consequence is that only part of the transfer is cash. In every provincial case with respect to education, the actual provincial expenditure for education exceeds the cash portion of the EPF transfer allocated to education.

Having said that, that is what managed to be accomplished in the 1982 and 1984 Parliament, and nothing much more than that. I wish my friend well but the whole concept of the Established Programs Financing Act will have to be rewritten, probably later in this Parliament.

Mr. Joe McGuire (Egmont): Madam Speaker, it is with great concern that I rise today to speak on Bill C-69.

My concern is that this government is once again introducing legislation which will impose further burdens on the sectors of our society which are least able to cope.

Bill C-69, an act to amend certain statutes to enable restraint of government expenditures, will actually amend four existing programs: the Canada Canadian Assistance Plan, CAP; the Established Programs Funding, EPF; The Canadian Explorations Incentive Program, CEIP; and the Public Utilities Income Tax Transfer Act.

Bill C-69 is part of the "Magic Michael Show". The Minister of Finance is going to make the deficit disappear.

Unfortunately, as in any magic show, nothing really disappears. It seems to, but then it reappears again. This is the real story of Bill C-69. It is an exercise in camouflage. The federal government transfers program responsibilities to the provinces. Presto! The federal debt load is reduced. The sad reality is that the financial burdens have simply been transferred to the provinces. Bill C-69 does not solve any problems; it just reassigns the responsibility.

The bottom line is that the ultimate burden rests with Canadian taxpayers. The problem here is that the system is not equitable. Some taxpayers, especially those in disadvantaged areas of this country, have to carry a disproportionate share of the load.

I think all Canadians have agreed that the federal deficit is a problem. However, I do not think that there is any consensus that the way to resolve it is to simply shift the burden to the provinces.

In his budget speech, the Minister of Finance said that he will reduce the deficit, and then he laid out a schedule complete with dates and amounts.

I believe he projected an interest rate of 11 per cent. That is another story and I will come back to it a little later.

The statement in the budget, however, that really strained credulity was: "There will be no new taxes in this budget". No new taxes.

William Shakespeare once said:

> What's in a name? That which we call a rose By any other name would smell as sweet.

A tax by any other name is still a tax, and it still hurts.

• (1750)

A tax increase is a tax increase no matter what you choose to call it. No sleight-of-hand, no amount of chicanery can change that. Canadians know what a tax increase is. After all, they have seen over 30 of them since this government came to power a little over five years ago.

The loss of revenue for the provinces due to Bill C-69 will total $1 billion in this fiscal year, $1.8 billion in 1991-92, and $8.4 billion over the next five years. This is a significant loss of revenue for the provinces no matter how you rationalize it. What options are left to the provinces? The number one option would be to increase their borrowing to offset the losses in transfer payments in order to maintain the current programs. The second option is to raise taxes, thereby offsetting the previously mentioned federal cut-backs. They could reduce programs so that they would not have use either option one or two, or they could combine the above in such a manner as to reduce the pain to a minimum.

Of the four specific areas mentioned in Bill C-69, the most serious blow to provincial budgets is the two-year freeze on EPF funding. Under the EPF, the federal government provides equal per capita financial assistance to all provinces through the transfer of tax points and cash payouts. This transfer was designed to assist provinces in carrying out their responsibilities with regard to health care and post-secondary education.

Since the freeze on EPF transfers affects primarily health care and post-secondary education, we are faced with three serious questions. Will the provinces be forced to make hospitals, schools and universities absorb the federal cuts? Will the sick and disabled have to suffer for this government's mismanagement of the economy? Third, will students be burdened by increased tuition fees?

Education is supposed to be high on the government's priority list. It is supposed to be the base on which we build our competence which will allow us to participate in the developing global marketplace. The government pays lip service on this on the one hand and on the other adopts a policy which runs directly opposite.

Health and education are vital services. These are the services that will suffer most as a result of the implementation of Bill C-69. This is the third time since 1986 that the Conservatives have decreased contributions to financing for post-secondary education and health care. Once again the government is ignoring the concerns of Canadians. Recent polls show that 88 per cent of Canadians oppose curbing federal-provincial transfers for health care and higher education.

It seems clear that the implementation of Bill C-69 will affect some provinces more than others. By making the maximum 5 per cent annual growth of CAP contributions apply only to the so-called richer provinces of Ontario, Alberta and B.C., the government is probably trying to give the impression that it is helping the lower-income provinces and penalizing the wealthier provinces, thus effecting a more equitable distribution of the national wealth. But this is not so.

It is a false and misleading impression. First, it is the EPF, not the CAP, which constitutes the largest transfer program to provinces. In the case of the Atlantic region the greatest proportion of federal support is now actually in the form of equalization payments. For example, P.E.I. received a total of $298 million in federal transfers during the year 1988-89-90. Of the $298 million, only $23 million was contributed under the CAP program whereas $98 million was transferred under the EPF and the remaining $195 million was in the form of equalization payments.

I will return to a discussion of equalization payments a little later. As far as Bill C-69 is concerned, P.E.I. as well as the other Atlantic provinces, will be most affected by the cuts in the EPF. The fact that these provinces are exempted from the amendments to the CAP is important, but not nearly as important as the severity of the EPF cuts. Second, we must remember that some provinces have traditionally had to rely more heavily on federal transfer payments than have other provinces. According to a study compiled by the Toronto-Dominion Bank, federal government payments represent a much higher percentage of total revenue for the Atlantic provinces than they do for Ontario.

For example in the fiscal year 1989-90, federal transfer payments accounted for 46.7 per cent of total provincial revenues in P.E.I., but only 13.6 per cent in Ontario. In fact, P.E.I. relies the most heavily on federal transfer payments, followed by Newfoundland, Nova Scotia and New Brunswick.

I want to come back to the possible provincial alternatives if Bill C-69 is implemented.

On of these options is to reduce spending by an amount equal to the federal cutback.

Since this money is designated for health services and post-secondary education, the option is almost beyond consideration. Even at its present level of funding, the health system in most provinces is not meeting the needs of the population. Hospital beds are being closed and hospital staff is being laid off in almost every province. If provinces reduce services or if they resort to user fees—which I believe to be illegal—we will be in danger of looking at two systems of health care. Our medicare system, of which we are justifiably proud, will break down. We will then be looking at one system for the rich and another for the poor. That is not a very appealing alternative.

Post-secondary education is the life blood of our future. We have constantly striven in this country to provide a system whereby every resident has the opportunity to be what he or she wants to be. Tuition fees are already rising. There have been street demonstrations in Quebec recently, protesting tuition increases in that province. Loan and bursary programs are already inadequate. Less well-to-do students are having a very difficult time getting a university education. This is a break with a Liberal legacy that we left to this country.

It is virtually inconceivable that cuts can be made in these two crucially important services. The provinces are then left to choose between increasing their deficits or raising taxes.

If they opt for the former, then we are talking simply of debt transfer. The federal government reduces its deficit; the provinces increase theirs. As I have indicated earlier, have-not provinces will bear a disproportionate burden when such transfers occur.

Moreover, there is a danger that if the provinces do increase their borrowing in response to transfer cuts the impact of the federal deficit cut might be lost. Interest rates and investor confidence might not respond in a positive fashion.

Clement Gignac, senior economist at the National Bank of Canada, warns us that an increase in provincial deficits might make a decline in interest rates less likely. This in turn could have a negative impact on Canada's credit rating. Provinces, corporations and municipalities whose ratings are linked to that of Canada's would, therefore, also be affected. Mr. Gignac's warning should not be taken lightly.

The only other option for the provinces is to raise taxes. The federal government has, in essence, said: "If you want the programs, you raise the taxes." While this shallow approach has an appeal to some people, the real problem is that this government has been hammering Canadians, particularly middle income Canadians, with tax increases for the past five years. There have been 32 increases, I believe, over the past five years.

But the worst is still to come. The infamous GST, the biggest tax grab in Canadian history, the most unpopular tax in Canadian history, is scheduled to come into effect in 1991. The feds have gone to the tax well so often there is nothing left. Canadians have been bled dry by the most tax-obsessed government that we have seen in the 123 years of our history.

The Canada Assistance Plan provides for a 50-50 cost share of social services and social assistance programs. This plan has been capped at a 5 per cent increase for the so-called wealthy provinces of British Columbia, Alberta and Ontario.

However, these provinces have over half the population of the country. Included in these population figures are hundreds of thousands of poor people. Whether they be the working poor, the seasonally unemployed or welfare recipients, they need assistance. Being poor in Toronto, Edmonton or Vancouver is just as bad as being poor in Halifax, Summerside or Tignish. They deserve the same access to assistance. They have a right to the same degree of help no matter where they live in this country.

The member from Mission—Coquitlam made a very eloquent statement on the situation in British Columbia, and I am sure the scenario could be developed for the other two provinces.

• (1800)

One program change which has attracted very little public attention is the Public Utilities Income Transfer Act. This program provides for the transfer to the provinces of 95 per cent of the eligible federal corporate income tax paid by investor-owned electric and gas utilities. To the best of my knowledge, such investment on utilities exists only in Alberta and Prince Edward

Island. In all other provinces utilities such as Ontario Hydro are Crown corporations. The province of Prince Edward Island stands to lose $300,000 per year because of amendments to this program. Madam Speaker, $300,000 may not seem to be a very large amount of money to some people or to some provinces. But to a small province like P.E.I., $300,000 is a significant amount and one which they can ill-afford to lose especially in view of the other transfer reductions that have been imposed.

Utility costs in Prince Edward Island are astronomical in comparison to those in Alberta or Ontario or Quebec. We have no oil or gas resources, we have no capacity to produce hydroelectric power. It seems grossly unfair that P.E.I. should be further targeted for hardship by cutting back on this particular income tax transfer program.

Prince Edward Island will lose $4.4 million in fiscal year 1991 because of the EPF reductions. In 1991-92 this reduction will increase to $8.5 million. To each of these totals must be added the $300,000 left in the income tax transfer program for utilities. This means that just from these two budget areas Prince Edward Island will lose almost $5 million this year and almost $9 million next year. However, this is only part of the story. The unkindest cut of all came on the last day of the fiscal year 1989-90. Unbeknownst to P.E.I. Department of Finance officials, a capping provision which had been built into the equalization formula in 1982 came into play.

On March 30, 1990, almost two weeks after bringing in a provincial budget based on expected equalization payments, the Minister of Finance was informed that federal equalization payments for the province would be cut by $18.3 million over the next two years but a whopping $13.6 million of that $18 million of that would be for the current year, a year for which the budget had already been prepared and had already been brought in to the House. This is the great example of the government snubbing their nose at the expense of the smallest province in Canada.

The reduction in equalization payments, EPF payments and PUITTA payments will cost Prince Edward Island almost $20 million this year and again next year. According to the Minister of Finance a good part of this year's shortfall will have to borrowed. That portion of the federal deficit has simply been transferred to the Government of Prince Edward Island. The general situation in P.E.I. can be extended throughout most of Atlantic Canada.

Equalization payments now exceed EPF as the largest form of federal support in the region. The cut-backs and transfers for the area are brutal. The federal government calls our program a frontal attack on the deficit. Analysts are much more cynical. They call it "throwing down the gauntlet to the provinces" or "transferring the tax heat." One of the greatest problems we face in the country today is the Canadian public's lack of confidence in this government. There is, of course, good reason for this lack of confidence. This government came to power in 1984 with promises to better manage the economy and to reduce the deficit. In a five year period of economic growth and prosperity they manage to double the deficit.

Forecasts in last year's budget have been proven to have come from fantasy land. This year's budget has been based on what have been charitably described as highly questionable assumptions. Two months after its introduction, the forecast on interest rates has been proven to be totally unrealistic. Instead of being in the 11 per cent area they have now risen to 14.75 per cent, the highest since the recession in the early 1980s.

The Prime Minister forecasts a decline in interest rates but the Governor of the Bank of Canada says we have to maintain high interest rates to fight inflation. Now we have both high interest rates and increasing inflation. The Conference Board of Canada predicts that we will have high interest rates for at least another two years. The whole situation will be compounded by the introduction of the goods and services tax.

This new tax will drive the inflation rate up to 6.3 per cent from the federal level of 5.4 per cent. Labour unions are now bargaining for cost of living clauses in their new collective agreements. As workers try to protect themselves from the effects of the GST, the inflation rate could rise even higher in response.

Unemployment is expected to rise to 8.2 per cent next year, up from 7.9 per cent for this year. Economic growth is predicted to slow to 1.5 per cent from 1.9 per cent this year.

At the Bank of Nova Scotia in Summerside this morning, personal loans of up to $10,000 cost 17 per cent. Mortgages of one, three or five years now cost 14.75 per cent.

All of this points in one direction—to a recession.

I want to close with a few words on the cumulative effects of the budget and government policy in general as it applies to Prince Edward Island.

The province realizes that it has to do its share and it has indicated time and again its willingness to do so. But as the federal government introduces each individual piece of legislation, it uses the same argument—everyone has to do their share.

I contend some people and some provinces are doing more than their share. Bill C-69 cuts millions of dollars of revenue from Prince Edward Island. It reduces equalization payments and cuts millions more. Changes in UI legislation will take further millions out of the economy. Closure of CFB Summerside takes away $50 million from the economy of that town.

By the way, Madam Speaker, in a few days we will be observing the first anniversary of the announcement of the closure of CFB Summerside, and we are still anxiously awaiting the fulfilment of the promise that the federal government has made to have a comparable federal offset for the area.

There have been cuts and cancellations of ERDAs, particularly in the tourism area.

Then, there are what we could call, I suppose, indirect financial losses. These are the abandonment of the railroad, the cancellation of VIA, cuts to CN Marine subsidies, and cuts to small craft harbour budget.

All of these either reduce our revenues or increase our cost of doing business.

It is the cumulative effect of these measures that has laid such a heavy burden on the shoulders of the people of Prince Edward Island and has turned its residents so bitterly against this government.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, it is with a certain amount of sadness that I listen to my colleague from Egmont speak of the disastrous effect that this bill is going to have on his province.

I am from an island province too, and I would like to zero in on one particular aspect of what my colleague from Egmont had to say. In order to do this I have to quote from a comment made by the present Minister of Finance. In 1982 he said:

> Cuts to EPF could have disastrous effects on the universities and on the colleagues, on the hospital funding, and on the operation of the hospitals.

I would like to zero in on this. Let us not make hospitals, universities, and colleges a battleground between the federal government and the provincial governments. Let us solve those problems—not on the backs of the hospitals and universities, let us solve the problems outside of that arena.

Of the $7.364 billion that this will mean to the provinces in the next five years, I am sure the House will find it interesting to recall that $5.3 billion of that is for health care, and $2.1 billion is for post-secondary education.

My concern is with health care. Coming from the province of Newfoundland, like Prince Edward Island, we do not have a large budget. Our concern with health care is very genuine. Not only do we not have the money to pay for it—despite what the hon. member from Mississauga South said about half an hour ago—we have an aging population. Although I do not have the statistics I am very much aware that the age of the population of Newfoundland per capita is generally older than it is for the rest of Canada. As it is, it is over 11 per cent now in this country, and I do not have to tell you, Madam Speaker, that our population is aging in a general sense and we are looking at close to 20 per cent just beyond the year 2000. So we have little money and we have an aging population. The other thing that concerns me is the rising cost of the high technology equipment in hospitals.

• (1810)

In support of what the member had to say I would ask for his comments on it as well. In the past three weekends I have been associated with two of the three major hospitals in my riding. One is the Cross Memorial Hospital in Clarenville, the distribution centre of that part of the riding. It is a secondary care hospital which serves 35,000 people. The other hospital is the Carbonear Hospital which, although it is in the biggest town in my riding, basically serves the whole of one of the three peninsulas of about 45,000 people. Both these hospitals have had to organize themselves into memorial trust

foundations so that they can actually go out and raise money.

In the case of the Cross Memorial Hospital it costs over $1 million just to keep up with the equipment needed to provide the kind of care people in my riding, and I am sure in rural areas, deserve and need and certainly should be used to without having to do these things. That is certainly one of my concerns.

I would like to ask my hon. colleague from Egmont if that particular experience has been witnessed by him and his constituents as well?

Mr. McGuire: Madam Speaker, I want to thank my colleague for the question.

The result of the transfer payment cuts to Prince Edward Island, is the same as in Newfoundland. We only have one university, a community college, two major hospitals and a number of smaller hospitals. As my colleague stated a lot of the care in these hospitals is extended care because of the aging population.

With the bad news that the provincial government received at the end of the fiscal year, we are going to lose $13.6 million which was supposed to go to education and hospitals is no longer there. They were counting on it and all of a sudden, poof, it was gone. They are now forced to borrow to maintain the level of services of last year.

The other point is that as far as our universities are concerned, we are coming into a world where everyone tells us that we have to compete on a global basis. The only way to compete on a global basis is to have a population trained and prepared to work in a global atmosphere. At the same time we are making it more difficult for our students to prepare themselves in order to enter into the global marketplace and help Canada take its place there.

What the government is doing is actually counter-productive. The government is telling us what we have to do but it is making it as difficult as possible to prevent us from doing so.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I also have a question for the member for Egmont. I wonder if he would comment on the three cuts to the transfers to provinces made by the former Liberal government when it was in power. You will remember that the end of block funding in 1977 constituted a reduction in federal funding to the provinces and the removal of the revenue guarantee in 1982 did something like take $6 billion over five years out of the province's funding from the federal government. You will remember, too, the six and five restraints in 1983 which took almost half a billion dollars away from the provinces for post-secondary education.

I wonder if he would like to indicate why when the Liberal government makes cuts to EPF it is acceptable, but when the Conservative government makes cuts in the same area it is not acceptable.

Mr. McGuire: Madam Speaker, it must really be consoling for the New Democratic Party because they have never been in government and the prospects of ever being in government are almost nil—

An hon. member: Hear, hear. Well done!

Mr. McGuire: —with their righteous indignation and picking away at everything.

I want to give an example. In Prince Edward Island when the present provincial government took over from the Conservative government in 1986, it was running a deficit of $30 million a year. It was able to take that $30 million deficit to almost a zero situation, a balanced budget situation.

The point is, it was able to do it, unlike the people across the way, and retain its popularity. The popularity of the present government of Joe Ghiz in Prince Edward Island is running at something like 72 per cent, as compared to 17 per cent for the government across the way.

I would like to address it, rather than the NDP, because it is really not coming from anywhere since it has not been anywhere.

Mr. René Soetens (Ontario): Madam Speaker, I found it rather interesting to hear the comments about how successful Prince Edward Island had been in almost balancing its budget since the Liberal government came into place there. Similarly, that seems to be happening in Ontario.

To go back to Prince Edward Island, my constituents in Ontario continuously ask me: "Where does all this money that we, the taxpayers of Ontario, pay go to?" I would like to ask the member from Prince Edward Island, just how many dollars it got from the federal government last year so that it was able to almost balance its budget, compared to what it got previously? What percentage increase did it get? What percentage of increase in spending did it get? Did it balance its budget because the federal government and the taxpayers of my

constituency were sending money its way? Or, did it balance it through frugal control of its expenditures?

I would suggest to you, Madam Speaker, that the way he should answer that is: "We balanced our budget because Ontario sent us all kinds of money, not because we controlled our expenditures." I would ask the hon. member to answer that question.

Mr. McGuire: Madam Speaker, we appreciate every dollar that Ontario sends to Prince Edward Island, because it is well spent and the people there really appreciate it.

I want to ask him: How would he feel if the auto industry in southern Ontario closed down at the same time as CFB Summerside closed down? That devastated our economy.

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, I was distracted by the brilliant intervention in the debate by my friend from the riding of Ontario in the province of Ontario who, when he is not making insightful remarks in this House, is out busily mailing cheques to charity cases like P.E.I. and Newfoundland, if you were to take him seriously.

First, let us get something straight around here.

Mrs. Finestone: You can't expect them to get it straight.

Mr. Simmons: The gentleman from Calgary Southeast feels a speech coming on. Does he want to do it first and make history with his maiden speech and the whole works?

I am saying to his colleague from the riding of Ontario that he does himself, his constituency, his province and the country no justice at all when he gets on about that nonsense about how he is bailing everybody out down in P.E.I., and so on.

We have a thing in this country called Established Program Financing. We have a thing in this country called sharing. We have a thing in this country called a federal system. How much longer it is going to last with the way his crowd are botching it is another question. But we have a system, and we have a number of equal units called provinces, not so many basket cases and then so many provinces who can call the shots because they are paying so many of the bills.

I will tell you, Mr. Speaker, why the riding of Ontario and the province of Ontario should be giving blood money to P.E.I. and Newfoundland. I can only talk for Newfoundland, and I suspect my colleague from Egmont can be equally lucid in terms of why it is so in P.E.I. As far as Newfoundland is concerned, in 1949 we paid a price for joining Canada. We are proud Canadians. I and my friend from Bonavista—Trinity—Conception, I believe, are the only two people in the Chamber these days—together with my good friend from Port aux Basques, one of the pages, Corey Crewe, working in the Chamber right now—and my other colleagues from Newfoundland, of course, Humber—St. Barbe—Baie Verte, Labrador and Gander, Grand Falls. I think we are the only people who frequent the Chamber these days. Do not let me forget my bosom pal from St. John's West and my good friend from St. John's East. In that group, save the page who is too young to have been around in 1949, we are the only people in the Chamber who deliberately chose Canada. Either we, or our parents for us, in a ballot chose Canada so we are here by choice and we are proud to be here.

• (1820)

With that preamble, let us call spades spades. Part of the price we paid in 1949 for joining Canada, to protect the manufacturing sector in Ontario and Quebec, was to sacrifice our fairly vibrant manufacturing sector in a number of areas. Yes, we will take the blood money any day at all and make no apologies for it.

I say to the member from the riding of Ontario that it is a small price to pay for what they did to our manufacturing industry, our fish processing industry, and our salt fish industry in 1948-49. If he wants to debate that issue and brag about the largesse of his pocket-book in mailing a few pittances down to the poor people in the basket case that he wants to call P.E.I., we will set him straight on that any time.

I remind him that in the great riding of Ontario he has a number of constituents who chose Canada and who had the good fortune and good sense to be born in Newfoundland. If he does not know where they are, I will show him a few thousand because he has several thousands. He would do well not to put his foot so far down his throat as he has today ever again. Never again.

Because he insults every Newfoundland-born member in his constituency, every person in P.E.I. and so many other provinces, and insults his colleagues from ridings like Broadview—Greenwood and Burlington.

I want to talk for a moment about Bill C-69, Madam Speaker. It is euphemistically described as an act to amend certain statutes to enable restraint of government expenditures. Does it not bring tears to your lovely eyes? To enable restraint of certain government expenditures. That is what they call it. We had a researcher look at it. Here is what she said. This bill would freeze federal transfer payments. This bill would limit the increase of transfer payments to certain provinces. This bill would eliminate the Canadian Exploration Incentives Program. This bill would freeze public utility income tax transfers over the next couple of years. Let us call spades spades. This has very little to do with restraint as such. It has got to do with parading the old right-wing agenda of the government. In speaking of right-wingers, where is the gentleman from Mississauga South?

An hon. member: He went outside.

Mr. Simmons: You are not allowed to say that in this Chamber. All you can say is that you do not presently see him. I do not see him and I wish I could. I hope he can hear me because I wanted to respond to a couple of things that he raised today.

When I heard him I sent to the library because there is something I never had a chance to find. There is a little passage in holy scripture which comes to mind when I hear that person get up. It is a passage having to do with Pontius Pilate. If ever I saw the Pontius Pilate approach I saw it today. It is the old "Let's wash our hands of all this now. It is somebody else's problem." It is the provinces' problem.

Tell that to the students whom I met two weeks ago in St. John's. There were 3,000 students from the marine institute, from the Cabot Institute and from Memorial University. Tell the many among them who will not be able to go back to university that it is the provinces' fault in the words of the Pontius Pilate from Mississauga South.

An hon. member: Oh, oh!

Mr. Simmons: Is the member for Cambridge out of his seat? He is the other person I wanted to talk to about his many thousands of Newfoundland constituents, though his friend from the riding of Ontario has quite a number of them too, as he will be aware.

Madam Speaker, I say to the hon. member for Mississauga South that it is not the provinces' problem, that it is a pathetic whimpering attack on the provinces. I want to know where is the national reconciliation that our boy from Baie Comeau was going to inflict on this country? Everyone was going to be nationally reconciled whether they wanted to be or not.

Now his whipping boy, his hired gun from Mississauga South is telling us it is the big, bad provinces that have created this problem. They are spending like a bunch of drunken sailors on sinful things like post-secondary education. How decrepit and immoral can you get that people in Newfoundland want to send their youngsters to university. How immoral, how terrible. Then the hired gun from Mississauga South, the apologist for the GST, tells us that it is the provinces we have to blame. He comes up with the same script and tends to deliver it with a bit more bravado than most over there. That is because he has more bravado than most over there. That is because he is well practised at bravado. He has done it by insulting Newfoundlanders who he said did not have anything worth while to say on the GST so he would not take the committee there.

He has done it by practising on Albertans who he said needed some grade six teachers to help them out. So he has had a lot of practise in bravado, innuendo and insulting. I am not surprised that he reads the script a bit better than my friend from Hochelaga—Maisonneuve would. He is good at it. I have to say to him without offence that he does not do it with nearly as much bravado because he is a much gentler soul than the man from Mississauga South. That is to the credit of the gentleman from Hochelaga—Maisonneuve.

Here is what the gentleman from Mississauga South says. "How are we going to pay for all those programs?", those big sinful programs that actually send people to university down in the basket cases of Prince Edward Island and Newfoundland, if you are to take his words for it. How? I will tell him how. For a start the

government can stop the nonsense that I am sure you have heard about.

Did you hear that the Prime Minister did not like the cars in Costa Rica too well? Did you hear there were a couple flown down there for him? That is right. The government flew them down. He needed a few just in case one broke down. He would need a back-up car. You cannot have the Prime Minister running around the country on a flat tire. You cannot have the Prime Minister riding around in a foreign limousine. I mean how indecent do you want us to get up here? So, we send down a back-up limousine too. But it forgot one important detail. It forgot the gas. It couldn't move the two cars except by plane, of course. You can always move cars by plane if you own the plane or own the government that has the tax money to pay for the planes. So, it was not difficult. The government got the cars there and got them back. To its credit they never put a mile on the cars. How about that for restraint? That is the ultimate restraint. Bring a car but do not drive it.

An hon. member: We saved the gas.

Mr. Simmons: How are we going to pay for it? I will tell him how we are going to pay for it. We are going to pay for it by not wasting the taxpayers' money for that kind of frivolous expenditure. I know that one frivolous expenditure will not pay for many students to go to university but it is an example. I can tell other examples about the expenditure on 160 mini-vans when the government held the Open Skies Conference. That cost a few thousand bucks to get the luggage back and forth to the airport. I can tell about the cars that went to Halifax. There are a lot of examples like that where the government could save a few shekels here and there and maybe in the process we could get a few youngsters to stay in university with a few more federal government dollars.

The gentlemen from Mississauga South gets very patronizing then. He says "I understand". With his big, big heart, he says "I understand there are have not provinces and there are have provinces". Then he proceeds "Let the rich pay". Let the rich pay. I wish I could say to him "Physician, heal thyself". Let the rich pay. Let us see how the rich individuals have paid, since he might apply to individuals his same credo that he wants us now to apply to the provinces.

• (1830)

Here is how they paid. When this government took office six years ago the people of Canada were paying a certain level of taxation for everything federal, income tax and so on and so forth. I say this to the gentleman from the riding of Cambridge. If one of his constituents earns $35,000 or less today—and I know what the member earns—then that constituent is paying $1,200 more a year today than he was in 1984 in all forms of federal taxes—$1,200 more. On the other hand, if my friend from the riding of Cambridge has a constituent who is earning $100,000 or more, that constituent is actually paying $1,600 less in 1990 than he was in 1984.

If we have a new credo from this government now through its hired gun from Mississauga South that the rich are going to pay—and I know he meant provinces—I hope that out of the kindness of his heart and his well-known dedication to consistency that he will now recommend to the Minister of Finance that maybe the rich people in this country ought to carry their fair share of the load too.

I see the gentleman from Cambridge. I am sure he is going to be in caucus on Wednesday advocating that very point. I have a few more for him if he wants a few ideas.

Mr. Sobeski: The unemployment rate went from 12 per cent to 4 per cent in Cambridge. How do you explain that?

Mr. Simmons: Madam Speaker, I have a question before the question, but a good question nonetheless.

How do I explain the fact that the unemployment rate has gone down in the riding of Cambridge? The whole point that we were making a few minutes ago was that if you front-end load your manufacturing sector and pack it all down to southern Ontario something has got to give. That something is called jobs. You have lots of jobs down there.

Mr. Sobeski: And 18,000 people from your province live there.

Mr. Simmons: Madam Speaker, nobody has ever said that his riding has a high unemployment rate. That is not the problem at all. The problem is that we are running this government as though there were no extremities to

the country, as though there was no need out there in fisheries, in agriculture, or in the Summersides of this world. That is the problem.

I understand what the member is saying because my friends from Newfoundland who live in Cambridge tell me all the time. Cambridge is doing very well, thank you very much. We understand that despite the member Cambridge is doing very well, thank you very much.

Mr. Richardson: It's the same thing in Alberta.

Mr. Simmons: Madam Speaker, it is really instructive just to stand here and watch.

Mr. Richardson: For you it is, but for the rest of us it's boring.

Some hon. members: Oh, oh!

Mr. Simmons: None is so deaf as he who will not hear. It is instructive to watch my friend from Calgary Southeast.

Mr. Richardson: The unemployment rate dropped 5 per cent in Alberta since the Tories came to power.

The Acting Speaker (Mrs. Champagne): The hon. member may want to rise on debate and make his points later. The hon. member for Burin—St. George's has the floor.

Mr. Simmons: Madam Speaker, you give the gentleman the benefit of the doubt, but I think much too generously. He does not want to rise on debate at all, since he might have to put on the record where he stands on this infamous bill. I invite the member for Calgary Southeast to get up and tell us what is good about this bill.

I understand that the unemployment rate is pretty good in that area. That is why no fewer than three of my sisters have gone there. I will have to check and double check before I commit the cardinal sin, but I think some of them have the good fortune to live in his riding. So if he wants to add to his mailing list he should talk to me after the debate. That is why they have been there all those years. It is because the economy is being gutted head on back home. They cannot get the jobs there. They have had to pick up their bags and go elsewhere, to places like Calgary, Cambridge and Fort McMurray in the riding of Athabasca. They have even gone to Mississauga South. Newfoundlanders are brave souls. Some of them have even settled in Mississauga South, the riding of the gentleman who spoke a few minutes ago in the debate.

Madam Speaker, I am sure my time must be just about out. I have a couple of minutes, I see.

I just want to make a very specific point about those cuts. They are not the first cuts.

Since this government came to power, particularly since 1986, this is the third onslaught on post-secondary education costs. This is at a time when the Minister for Science and others are preaching about the need to adapt to the new age. They are preaching about the need for retraining, for more education and for the ability to compete in the high-tech markets of the world.

Yet what is the government doing with post-secondary education? It is almost too shameful to talk about. The government is cutting the guts out of it completely. In 1986, again after that, and now in 1990—three times—the government has made an onslaught on post-secondary education.

If there is a sector that we ought to be looking to, beefing up and giving almost kid-glove treatment to—certainly realistic treatment to—it is the whole area of post-secondary education, universities, community colleges, trade colleges and the like. What is the government doing instead? It is making an onslaught on them.

If there were time I would talk about the Canada Assistance Plan. I would talk about the mining incentives and how they have had an impact for good in Newfoundland and other parts of this country. Unfortunately, my time is just about up.

In conclusion, Bill C-69, like a number of others which have come into this House, should hardly be dignified with a vote of any kind. But if members on the opposite side of the House want to redeem themselves from that infamy which we saw just before Easter when they voted for the GST bill, I invite them to get back on the good side of their constituents. This is the one chance they have. Maybe their constituents will be forgiving. But if these members commit two strikes in a row—GST, plus post-secondary transfer payment decreases—they are asking for real trouble.

Maybe I should use this opportunity before I sit down—in case I do not have a chance later—to say goodbye to them all because they are not going to be here very much longer if they vote for this bill.

Some hon. members: Hear, hear!

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I thought I might ask the same question that I asked of the member for Egmont of the member for Burin—St. George's.

He will remember that in 1977 the Liberal government cut funding to the provinces with the end of block funding. In 1982, with the end of the revenue guarantee program, there was a further cut to the provinces of some $6 billion. In 1983, the six-and-five restraints ended up by reducing contributions to the provinces by almost $.5 billion.

I wonder if the hon. member could indicate why—since the member for Egmont was not prepared to—the cuts are so terrible when the Conservatives make them, but they are not so terrible when the Liberals make them when they are in power.

Mr. Simmons: Madam Speaker, I thank the hon. member for Saskatoon—Clark's Crossing for the question. When he put it to my colleague, the hon. member for Egmont—and I knew that he would do a good job of answering it, as he did—I found myself rather enviously saying: "If only I got a question like that". I really did not ask him to ask the question. I have to tell you that, Madam Speaker, to start with. I thank him anyway.

The answer is very simple. The answer, first of all, is that a member from a party, which has never been the government and never will be, would not be able to appreciate that sometimes in a government you do tailor, you do make changes. Sometimes you get a signal from the people that enough is enough.

Is his real question: "What distinguishes the Liberals from the Tories?" The NDPers, the arm-chair socialists—if they had to be real socialists they would be in real trouble—can afford to be socialists because they are getting half-decent salaries. If they ever formed the government, they would find this out. In the meantime, they are getting nervous about their place in the polls.

You will notice, Madam Speaker, what is happening. Every day 85 per cent of the country are out there railing at this government. Yet what are members of the NDP doing? They are wondering who is going to have the mate's chair on the *Titanic*. They are fighting over *Titanic* chairs, when they ought to be representing the people in an attack on this government. They are elbowing for room over here because they are worried that we might elbow them out somehow.

I say to him, a man who will never be in government unless he has the good sense to apply for admission to this particular caucus—and we would consider the application because he is a fairly bright fellow—the answer is this. Here is the difference. He is going around telling the country that the Liberals and the Tories are Tweedledum and Tweedledee. When we in 1972 and on other dates began to do things that were not particularly unpopular, we got the message. This crowd does not know how to get the message.

• (1840)

I submit that one of the most fundamental principles of our kind of government, our kind of parliamentary democracy, is, yes, we provide leadership as a government, but you never force leadership down people's throats. You never say to them: "This is medicine. It is nasty but it is going to be good for you". The patient, the country as a whole, must want the medicine.

They said on GST, they said on EPF: "We do not want this medicine". They said it to us in 1977 and 1982 and we heard them. That is the difference between a Liberal and a Tory.

If you want to know the difference between a Tory and an NDPer, one gets into government once in a while, the other one never.

Mr. René Soetens (Ontario): Madam Speaker, the member for Burin—St. George's in Newfoundland made an excellent presentation. Of course, at the start of his comments he suggested that we from Ontario were not interested in sharing our good fortune with the rest of Canada. However, that is really far from reality because we do wish all of Canada to share in some of the prosperity that we have.

In fact, because the government of Brian Mulroney was elected in 1984 we in fact helped to share in the rest of Canada. We sent to many parts of Canada, through a Progressive Conservative government, some really positive things.

For example, in Newfoundland since 1984 we have created 29,000 new jobs. That compares to the 1,000 that were lost while the member who spoke was in office. Unemployment has fallen by 14,000 in that same

five-year period. While he was in office prior to 1984 it rose by 25,000. The list goes on.

Newfoundland unemployment has fallen from 23.5 per cent to 16.2 per cent. The member for Cambridge was referred to before. His unemployment rate had dropped 8 per cent, and that is great. We are sorry we only dropped it 7.5 per cent in Newfoundland, but by gosh we are trying. I think that is what we are supposed to be doing.

All the way through things have been fairly positive. The inflation rate in Newfoundland is less than it is in southern Ontario. Retail sales in December 1989 were 63 per cent higher than when we were elected in 1984. Building permits in 1988 were up 72 per cent from 1984.

The member for Burin—St. George's would lead us to believe that things are absolutely destitute in Newfoundland. I accept that there are people who are in very difficult circumstances. We as a government have to do our utmost to help those people where best we can.

But it is not all bad. Manufacturing shipments from Newfoundland were up 14.8 per cent in 1989. Farm income was up 11.9 per cent. Private sector spending in Newfoundland in construction climbed 35.6 per cent. Exports from Newfoundland were up 137 per cent.

We can go on with a tremendous list of very good accomplishments since 1984. All of those numbers are better than the last time the member who just spoke sat in this House prior to 1984. We are going in the right direction.

What the member for Burin—St. George's did not mention—and I will get to my question—is that while he was in office they drove the deficit to $38.5 billion. So far we have taken it down to $28.5 billion, and we want to go a little further.

Does he believe that all people in Canada should share in the challenge of dealing with the deficit, or just those who for his logic come from Ontario?

Mr. Simmons: Madam Speaker, I thank the member for Ontario because just as I thought he was going to be completely selective in his quotation of statistics, he half redeemed himself. He was only half selective. He did come so close as to talk about the deficit. He conveniently forgot the public debt. I wonder why.

Let us give him the benefit of the doubt. Let us say that he forgot. For the sake of the House and in the interest of time I will say what he would have said.

He would surely have pointed out that the public debt when the Tories took over in 1984 was of the order of $170 billion.

An hon. member: $160 billion.

Mr. Simmons: I am sorry, $160 billion. I hope the gentleman is listening because he will want to have this for his speech. The Tories took over with a debt of $160 billion, and they have brought it all the way down to $380 billion. Why did he not mention that? Obviously, he forgot.

I have two other quick points in response to what the hon. member had to say. First, when will he and others get the message, whether they are talking Meech Lake, EPF or about anything else concerning the way this country is fabricated and constructed? Either we believe in the equality of every voter in this country, regardless of where he or she lives, or we do not. We are sick and tired—as in stomachy, which is what we say back home—of having it rammed down our throats, just as the hon. member tried to do a minute ago again, that somehow we ought be eternally grateful with the few crumbs coming off the table.

When will the member get the message that we would like to be in a position to help buy the bread to put on the table? We would like to be sitting at the table. We would like to be full partners. Do not give me that patronizing nonsense. What we get in this country, we get as a right. We make no apologies to any man, woman or child in this country for that.

He says things are not destitute in Newfoundland. He ought to come down and visit. If I had time, I would tell him something of the detail of the terrible nightmare that many fishermen in the thousands and many plant workers in the thousands are facing because of the policies of this government. Destitution is not a bad catch-all phrase to describe it. But at another time he and I will talk about that, I am sure.

The Acting Speaker (Mrs. Champagne): Resuming debate with the hon. member for Saskatoon—Clark's Crossing.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I rise today in support of the 80 per cent of Canadians who oppose the government's initiative in Bill C-69.

Of all the short-sighted, mean-spirited and counter-productive decisions by this government, of which there have been many of course, this current bill represents the worst. Not only will it cause needless human suffering today, as we experience cutbacks in our health care system, but if the government does not change its approach we will condemn our children to a life of mediocrity and ill-health, effectively reversing gains made by our parents and grandparents in building this country.

Let us be clear about what this Tory government is proposing to do. First, it is withdrawing from health care funding, thereby beginning the end of universal medicare and health insurance programs, thus threatening the future health of our children and the sick.

Second, it is withdrawing from post-secondary education, thereby condemning the next generation to lives of hewers of wood and drawers of water, and ensuring the slow decline of Canada in the ranks of the world's nations.

Just to illustrate the extent of the move away from supporting the provinces, the Library of Parliament's figures show that in the nine years from 1986-87 to 1994-95 this government's actions, including the actions in Bill C-69, will take almost $29 billion from the provinces in terms of health care and post-secondary education funding. These are massive cuts in support from the federal government to Canada's health care and post-secondary education system.

We have seen nurses' strikes. We have seen threatened doctors' strikes. We have seen long waiting lists for elective surgery. We have seen Canadians being turned away from hospitals and indeed dying through lack of care.

Canadians are worried, and justifiably so, by a tax on medicare, with the very real threat of one health care system for the rich and another for the poor.

The same goes for the post-secondary education system. Indeed, one eminent president of one of Canada's best universities recently wrote to me saying that our university system has experienced an outstanding fiscal erosion in the past decade, the magnitude of which is unparalleled in any other Canadian public sector. The situation has become an embarrassment and a concern of monumental proportions.

Our share of the education and training budget for the last few years, according to recent StatsCanada figures, has reduced. Indeed, it is reduced in large measure by comparison to the percentage of Gross National Product. It has been reduced from 1.3 per cent, for example, in 1986-87, to 1.1 per cent in 1988-89. It is continuing to fall.

• (1850)

Total federal government spending, if you exclude the debt charges, rose by 3.6 per cent and 7.6 per cent respectively in 1987-1988 and 1988-1989. By contrast, spending on education rose by only 1.8 per cent and 1.6 per cent, respectively.

Clearly, the federal government's commitment to post-secondary education is reducing by comparison to its commitment to other expenditures in the budget.

Indeed, the increases in education spending are the lowest year over year increases on record, according to the government's own figures from StatsCanada.

In spite of the Prime Minister's rhetoric about social programs being a sacred trust, we have here a major cut to health care funding, Canada's most prized social program. It is little wonder that the Prime Minister's performance rating is only 19 per cent, the lowest of all Prime Ministers since polling started almost 50 years ago.

The Prime Minister has also made commitments about the importance of education and the role of the federal government in ensuring a first-class education system in Canada, and every Canadian's right to a world-class education. Then, immediately afterward, he slashed $10 million from the post-secondary education budget to the provinces over the next nine years.

We have heard a lot, too, about research and development. Indeed, two years ago a committee chaired by the Prime Minister, the National Advisory Board on Science and Technology, looked at research financing and recommended that it be doubled. Our scientists and scholars are operating with resources that continue to place them at a severe disadvantage when we compare them to others in the international community. Yet the proposal to double financing over three years has yet to be

implemented. In effect, there is no indication that it ever will be.

There is a national interest in post-secondary education and health care funding. That is why the federal government became involved in supporting the provinces in those two areas in the first place. There has been in the past a commitment to ensure that no matter where a person lives, no matter what a person's financial opportunities might be, they be entitled, as all Canadians are, to the same quality of health care and the same quality of post-secondary education.

Yet this government is either deliberately or recklessly saying there is no longer any public interest in ensuring equal accessibility, regardless of financial means or geographic location. The government is saying that there is no longer a need for health care, academic ability and being able to use education as the criteria by which we will choose those who can have access to health care and post-secondary education. What the government is doing is turning its back on years of development toward more equality in Canada.

No longer will a sick person in Atlantic Canada have the same opportunity for health care as a person in a richer province. No longer will a young person in Saskatchewan have the same educational opportunities as someone in a richer province.

As we all know, the bill attacks the poorer provinces, creating greater strains on federalism without apparent care for the consequences. Fully 70 per cent of the cuts proposed in this bill are in terms of health care, post-secondary education and the cap on the Canada Assistance Plan.

That means that this government's decision to deal with the deficit is to ensure that those who are sick, those who are young and in the process of being educated and the very poorest in our society are to bear the burden of attacking the deficit. Eighty per cent of Canadians have told this government not to follow this approach, but of course as with the goods and services tax, unemployment insurance, VIA Rail and so many other things the government has turned a blind eye and deaf ear to Canadians.

This is a strategy which will tear Canada apart. We cannot encourage tension between the regions. We cannot pit Saskatchewan against Atlantic Canada for our resources in order to fund health care and post-secondary education. We cannot make it difficult for those in the poorer regions to experience what other Canadians experience.

What we have seen over the last few months is an increase in intolerance in this country and an increase in tension between the regions as a direct result of the government's actions. Bill C-69 is merely one example of that.

The government's approach is easy to predict. As a result of its general philosophy which is reflected in free trade and the goods and services tax, its approach is that the government should withdraw from the economy and that people should look out for themselves. If this means that those living in less well-off areas do without vital health care and post-secondary education services then, according to this government, so be it.

In some parts of our country, including my own province of Saskatchewan, provinces have very little tax room left to make up for reductions in money from the federal government. The effect is that the quality of programs in those provinces declines while better off provinces, such as Ontario, British Columbia and Alberta, are able to make up the difference through provincial taxes should they decide to do so.

That increase in regional disparity is something which those of us in the New Democratic Party not only criticize and oppose but know that most Canadians oppose it also.

In addition, we also oppose another thrust of what lies behind the government's actions under Bill C-69. That is with regard to privatization. There are many examples of supporters of the government, including the Canadian Manufacturers' Association and *The Globe and Mail* who argue for increased privatization both in the health care system and in the post-secondary education system. As for universities and colleges, there are something over 50 universities and colleges at the present time attempting to raise more than $1 billion in revenues to try to make up for some of the shortfalls from both federal and provincial governments.

The withdrawal of the federal government from educational funding is forcing both the gradual privatization of education with concomitant reductions in access and higher tuition fees across the country.

Madam Speaker, let me indicate two examples of the calls for privatization just to show that I am not being an alarmist but am indicating that there are many who are calling for this and that the government is responding. The National Citizens Coalition, for example, has argued that the government's monopoly of health care has resulted in inefficiency, cut-backs in services, medical rationing and that it has increased costs astronomically. According to it Canada's health care system needs a dose of competition. It also argues that the Canada health care system would benefit if the government contracted out the management of public hospitals. That is not what most Canadians want.

The nurses also have indicated that the pressure is growing on our medicare system. Indeed, they have argued that medicare is in trouble and that Canadians had better watch out if they want to have the sort of public health care system that we have grown accustomed to in Canada. Of course the federal government's actions under Bill C-69 and related actions in the past have contributed and caused the fears that I have mentioned.

In addition, the Canadian Manufacturers' Association has argued that Canadian universities should be deregulated and that Canadians are paying far too great a share of each student's education costs.

We are seeing pressures and hearing pressures on our health care system and on our post-secondary education system. Rather than respond to them by fighting back and by ensuring that our health and post-secondary systems are the best they can be, the government is giving into those pressures and cutting back on the funding to the provinces. This is having a particularly bad effect on those poor provinces, including the province of Saskatchewan.

The government's view of federal funding to the provinces under the Established Programs Financing arrangements, at least according to the Minister of Finance, appears to be that the moneys can be used by the provinces as they see fit. This is simply not the case.

The Canada Health Act and the Established Programs Financing arrangements are very closely linked, as the Canada Health Act clearly states. Indeed, in the past both the Minister of Finance when he was in opposition, and other members of his party, have argued very strenuously—that was when the Liberals made cuts to these programs—that the Established Programs Financing arrangements were indeed arrangements which were designed to finance both health care and post-secondary education in the provinces. It seems to me that they cannot have it both ways. They cannot have said, when the Liberals were making cuts, that these cuts were to health and post-secondary education and now when they themselves are making cuts argue that they are for whatever purposes the provinces so desire.

• (1900)

To say that the provinces can do what they want with the money is to ignore the Canada Health Act. To say that, the federal government is not interested any longer in national standards of health care and post-secondary education, both in terms of quality of health care and post-secondary education and in terms of accessibility. As I said, that is not what the Minister of Finance and other Conservative ministers said when they were in opposition and the Liberals were making cuts to EPF.

In 1982, in the budget of then finance minister MacEachen, there was an elimination of the revenue guarantee. At the time the present Minister of Finance said that the Liberal minister was prepared to risk major cut-backs in medical care and post-secondary education and that he should not rush into these decisions on a unilateral basis and force spending cuts and service cuts on the provinces.

We all know that the provinces are not in agreement with the cuts that they are facing. We also know that these cuts will affect the services available at the provincial level. The present Minister of Finance said in 1982 that we should not cause closures of hospitals and cut-backs in post-secondary education in this way. The Minister of Finance has had a change of heart and now argues that these expenditures are not for health care and post-secondary education, whereas he quite clearly was of the view that they were in 1982.

Many other members on the government side spoke strenuously against the cuts which were proposed and, indeed, introduced by the Liberal government in 1982 and 1984 and, indeed, pointed out the opportunities

which were available to the provinces in the event of such cuts. There really are only four. The provinces can increase revenues if they have the opportunity to do so or they can increase their deficit. They can cut back or reduce services. It seems to me, as the Conservative member said, when faced with those Liberal cuts we really should not do that and, indeed, we cannot do that because of the danger that it will pose to Canadians across the country. The third alternative is to reduce standards of services and the fourth is merely for the provinces to increase taxation. None of those are attractive features and particularly for those provinces which are faced with difficulties in raising any more funds.

As I have raised in questions, I want to make just one brief mention on the fact that, when the Liberal government was in power up until 1984, it made a number of similar attacks on the health care system and on post-secondary education. Those attacks were not as great as those made by the Conservative government but, nonetheless, they indicate a lack of commitment to the health care system and post-secondary education system by Liberal governments of the time.

As I mentioned, in 1977, the end of block funding constituted cuts from the federal government to the provinces. In 1982, there was the removal of the revenue guarantee program which cut some $6 billion over a five-year period from federal transfers to the provinces and the six and five restraints in 1983 cut some $400 million to $500 million out of the education support programs for the provinces.

The irony of Progressive Conservatives and Liberals changing places is not lost on Canadians. When Liberals make cuts to transfers for health and post-secondary education, Progressive Conservative members correctly criticize, and when Progressive Conservative governments make cuts, the Liberals complain.

The Minister of Finance was right in 1982 when he said these cuts would adversely affect health care and post-secondary education across this country and he is wrong now when he says the provinces should be able to spend that money as they see fit. This government has lost track of the lives of ordinary, hard-working Canadians who rely on medicare and who want their children to have a good education. The regions, especially the less well-off provinces, will be devastated by this bill.

• (1905)

The maritime provinces already devote an enormous share of their provincial budgets to health and education costs. Cuts in federal spending will push them to the breaking point, as we have seen in Prince Edward Island, for example, with the provincial budget being pushed into deficit. In Prince Edward Island, health expenditure expressed as a percentage of gross domestic product was over 12 per cent as compared to only 8 per cent for Ontario. In other words, health expenditures make up 50 per cent more available financial resources in P.E.I. than in Ontario.

How will smaller provinces manage, given these cuts? How much less opportunity will they have to make up the cuts given the lack of fiscal base on which to raise other sources of tax revenue? As I have mentioned, the only alternatives are to increase taxes or increase the provincial deficit, or reduce services. None of those options are acceptable to Canadians.

In other words, as we have seen represented in many presentations and many reports, the government is creating a health care system for the rich and a health care system for the poor. It is creating a two-tier health care system, depending on whether you live in a rich province or a poor province, and it will do the same with regard to post-secondary education.

In closing, this government should stand up for the regions, stand up for the needs of Canadians in their health and post-secondary education systems. It should help, not hurt, which is what it is doing with Bill C-69. Government is about choices and this government has chosen the goods and services tax, it has chosen to give big tax write-offs to the rich and to corporations and it has chosen to attack health care and post-secondary education. No wonder the government is at 15 per cent in the polls. The final price, of course, will be paid at the next election.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I listened with great interest to what was said by our colleague from the New Democratic Party, and I fully understood the message he was trying to get across. One wonders why, if the government across the way was listening, and I am sure the hon. member for Brampton was listening very carefully and that he will take to heart the points raised by the hon. member for Saskatoon—Clark's Crossing—I would like to ask him whether he was aware of the fact, for instance, that Bill C-69 intends to make budget cutbacks

totalling $110 billion this year, $1.780 billion next year and that, spread out over five years, these budgetary compressions will add up to about $8.380 billion.

Of course, my point is that all this will have a very negative impact on the provinces' ability to deal with the financial problems they will have as a result of the federal government's decisions. For instance, there is the impact that this budgetary restraint will have on welfare rates in the provinces, and so forth. I would like to tell him that, for instance, in my riding, in Glengarry—Prescott—Russell, the federal government intends to use Bill C-21 to cut benefits to workers, which will cause an increase in the number of people on welfare, because people will exhaust their unemployment insurance benefits faster. So there will be an increase in the number of people on welfare, and at the same time, the federal government, which gives these funds to the provinces, is saying: Listen, we know you are going to have more welfare recipients, but we are cutting back just the same. Doesn't he agree that these cutbacks are entirely unreasonable and that, in fact, the government is not saving one cent? It is just passing the problem on to someone else.

• (1910)

[*English*]

Mr. Axworthy (Saskatoon—Clark's Crossing): I am not sure that the hon. member asked me a question, Madam Speaker, but that clearly is what is taking place with this particular bill, indeed with the general activities of the government surrounding the budget at the present time.

The budget has been described as a pass-the-buck budget and that clearly is what it does. It transfers the responsibility for dealing with the deficit from the federal government to the provincial governments. It chooses to attack health care programs, post-secondary education systems and the poorest of Canadians by its decision to put a cap on the Canada Assistance Program. That is the decision the government has made. That is not the choice or the decision the government had to make, it is the one it decided to make and Canadians, of course, will not forget that.

It is an unacceptable approach for the government to take in dealing with the deficit. No one, I think, is arguing that the deficit is something which should not be attacked. We all agree, that the government has an obligation and that indeed we all have an obligation to deal with the deficit. The question is how we are going to deal with it. Are we going to deal with it by attacking those who are less well off in our society, are we going to deal with it by attacking those who have less opportunity to fight back, or are we going to do so by increasing the tax burden on the well-off and the corporations in Canada, for example, as well as doing such things as attacking interest rates?

The government, as we know, has chosen to attack the less well off and those who are less capable of protecting themselves. That is unacceptable. I do not think any of us on this side of the House would consider it to be acceptable and I do not think most Canadians think that it is acceptable.

As a final point of a more general nature, when we all go back to our ridings, I think we understand the way in which Canadians are responding to this attack on them by this government. One of the reasons for increased intolerance in our country, which I especially see when I go to the west—attacks on bilingualism and multiculturalism on other parts of the country—is that people are fed up with being attacked by their government when they feel that their government should be helping them rather than kicking them.

The government just has to accept the responsibility for what it is doing to this country due to financial burdens being placed on the provinces with the increased cuts to health care funding and post-secondary education funding. It also has to accept the responsibility for the mood that it is putting this country in.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I would like to put a supplementary question to the hon. member opposite and thank him for his answer to my previous question.

Madam Speaker, earlier today we heard the hon. member for the electoral district of Cambridge, if I am not mistaken, asking other members whether.

Mr. Soetens: The riding of Ontario.

Mr. Boudria: Oh, the riding of Ontario, excuse me. In his speech, the hon. member asked the rest of us whether we were aware of the fact that his constituents'

money was being used, for instance, to help provinces like Prince Edward Island.

I felt that coming from a member of this House, such words were alarming, because in my view, Madam Speaker, we must be more generous as Canadians. We must try, as much as possible, to have programs for helping the less advantaged parts of our country.

Of course, these regional development programs for less advantaged areas should not be seen as they are seen by some hon. members as being funded with money taken out of the pockets of their constituents. I don't think that is the Canadian way.

I would like to ask the hon. member whether he has the same reaction to these words which were criticised earlier by another parliamentarian, words which I remember very well because I don't think they contribute to Canadian unity, especially at this time.

• (1915)

[*English*]

The Acting Speaker (Mrs. Champagne): The hon. member has about 30 seconds left.

Mr. Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I just have two brief comments. I would note just in passing that prior to 1982, when my province's government was a New Democratic government, there were not deficits in Saskatchewan. Indeed, Saskatchewan was then a "have" province. Since 1982, with a Conservative government, it has had deficits and has become a "have not" province. So, it is not the case that we would want to receive funds from other parts of the country, but that we have had a government which has forced us to do so.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, on March 20 I asked the Minister of Agriculture if there would be financial assistance for Canadian farmers to enable them to plant their crops this year, and when that assistance would be forthcoming.

The minister responded that the government was working on this issue and was working with the provinces to design a program and that hopefully it would be a targeted program. As yet, not one penny of aid has reached the producers and, more than a month later, we are starting into the planting season.

I acknowledge that the government has give a commitment for $500 million of aid for Canadian farmers, but only if this amount is matched by the provinces. I understand that about $250 million of this goes to Saskatchewan, $100 million to Manitoba, $50 million to Alberta, $50 million for special crops and then $50 million for the rest of Canada.

While I do not quarrel with the division of funds, I have to wonder, for example, how the province of Manitoba can match its $100 million allotment when the total agriculture budget for the province is only $85 million. Many Manitoba farmers desperately need this help, as do farmers in other provinces.

I also have to wonder just how much good the $250 million is going to be to the Saskatchewan farmers, even if it is matched by the province, because the total of $500 million would mean $10 per acre planted in the coming season. We sincerely hope the recipients of this aid will be considered on a county-by-county basis and not on a basis that requires total townships or rural municipalities to be affected.

I have to remind the government that during the 1988 drought assistance program there were long waits for cheques and a lot of appeals. The farmers need this money now in order to purchase their crop input requirements. As I indicated earlier, planting has already started. Until the government announces what the assistance will be and shows how it is to be administered, the farmers will not even be able to get bridge financing pending the arrival of their assistance cheques.

I am fully aware that discussions are ongoing with the various provinces and producer groups and understand that some producer groups have suggested their payments be made through the Agricultural Stabilization Act and that the producer's sales records be used as the basis of those calculations. Such records, of course, are available from the various marketing boards or producer

organizations. I recognize that some of the producers who fed grain on the farm should also be compensated.

By comparison, it is totally unacceptable to Canadian farmers that producers in the United States receive half of their deficiency payments under their acreage allotment programs before they even plant their crops. In fact, they received this in the month of March. The other half of that payment will be made next year. In addition, they have a further advantage in that the input costs to the United States producers are 25 per cent less than those equivalent costs here in Canada. Consequently, our Canadian producers are at a distinct disadvantage, first, because they have no cash on hand to plant their crops and, second, their input cost are 25 per cent higher than those in the United States. Further delays simply cannot be tolerated.

• (1920)

I also like to place on the record that, while I do not disagree with the government's announcement of a few weeks ago to write down the debt of certain Caribbean countries due to their inability to repay, we have severe hardships here in Canada too. I respectfully ask the government to use Section 11(1)(e) of the Farm Credit Corporation Act and write down the debt load of some of our Canadian farmers who are being forced off their farms because this government has ignored the fact that these innocent victims of lower grain prices, which started to drop in the fall of 1984, need help too.

Under Section 11(1)(e) of that act, the government has the authority, under the objectives and powers of the act, to write down those loans, to make compositions, schemes of arrangements or to rewrite the mortgages itself.

Canada was built on the tradition of compassion and caring for the less fortunate. If there is ever a time to display some compassion and understanding, it is now. We have witnessed a tragedy after tragedy unfolding across this nation since last November. We have seen communities being devastated in Saskatchewan as people move away to seek work elsewhere. We have seen families being broken up and many people taking or attempting to take their own lives.

I ask this government to acknowledge this and to take action to alleviate this worsening tragedy. If the government can write down debt for other countries, it should recognize the financial disaster unfolding in Canada and apply the same criteria here at home.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the government does recognize what many Canadian farmers are going through a very tough and difficult time resulting from successive years of drought combined with uncertain prices and lingering debt.

I want to indicate as well that this government has responded in the past in many, many ways to help the agriculture industry of this country. We do not have to take a back seat to any country in the world in the support that we have given to our various sectors of agriculture.

When the Ministers of Agriculture met in Ottawa on March 29 and 30, the farm financial situation was the priority item on the agenda of that meeting. Unfortunately, in that short a time period the ministers could not come to an immediate agreement on how the federal government and the provinces could jointly address the problem. However, to send farmers and their creditors a clear signal of continuing support, the Minister of Agriculture announced a federal package of initiatives at the close of the ministers' meeting on March 30.

Under those initiatives the federal government will increase the flexibility of the farm debt review fund, which currently has $180 million available. The fund will be made more adaptable to current circumstances so that arrangements which farmers have worked out with the Farm Credit Corporation through the farm debt review process can be extended. That is responding to some of the special needs as well.

As well, the Minister of State for Grains and Oilseeds has asked the Canadian Wheat Board to implement procedures under the Prairie Grain Advance Payments Act, which should encourage creditors to extend needed operating credit to producers. This initiative will help to provide farmers with the several billion dollars in operating credit that they need this spring.

We are also planning to extend the $150 million federal-provincial national soil conservation program. The additional $10 million we are willing to commit is contingent on provincial participation as well.

Once again, this government is prepared to dig deep to provide an additional $500 million in income assistance to our farmers. We are asking provincial governments to help their farmers by matching that federal contribution which alone would provide $1 billion more to Canadian farmers in the coming crop year and bring 1990-91 farm income in line with the five-year average.

We are willing to work quickly with the provinces to design the best approach for delivering assistance to producers. This initiative must be consistent with the policy pillars that underpin our current national agri-food policy review, namely, it must be production neutral, it must be environmentally responsible and it must lead us into a transition to a comprehensive long-term safety net.

As I said before, the government knows these are difficult times for Canadian farmers, but these are also financially difficult times for governments. It is not easy for any level of government to dig deeper. This includes the federal government as it struggles to control the huge national debt. About 35 cents of every federal tax dollar goes to service the federal debt compared with an average of 12 cents of every provincial tax dollar to service provincial debts. Yet total federal spending on agriculture in 1988-89 was almost two and half times of all provincial governments combined.

• (1925)

Still the Government of Canada stands ready and willing to come to the aid of farmers again this year. We are ready for further discussions with the provinces so that we can design programs that will be as comprehensive and effective as possible.

FISHERIES

Mrs. Coline Campbell (South West Nova): Madam Speaker, in answer to my question on April 9, 1990, concerning the government's aid package for the east coast fisheries, I was pleased to find that the Minister of Fisheries agreed with me when I asked him, as reported at page 10337 of *Hansard:*

> Does the minister not think it would be wiser to be sure about the stocks and to be sure that we have fully developed all available species before we tell the people (on the east coast) that they must give up their life's work and the traditions of all those communities dependent on the fishery?

His answer in *Hansard* was one that I really agreed with. He said at page 10337:

> Yes, Mr. Speaker, I agree.

I was pleased because that seemed to signal, on the one hand, that the minister had been impressed by the arguments of so many fishermen in the southwestern end of Nova Scotia that these fishermen do not trust the department's stock assessment in the Scotia-Fundy region.

I was also pleased, on the other hand, that with his impending fisheries aid package he planned to greatly increase the department's participation in marketing the under-utilized species so that Atlantic Canadians could begin to reap the benefits of their total fish resource.

The reasons I have repeatedly asked both the minister and his predecessor to focus in the aid package for Nova Scotia on scientific evaluation and marketing are simple. First, to the best of my knowledge, there has never been any comprehensive stock assessment exercised in the Scotia-Fundy. Yes, research vessels have been sent out by the department, but for only a few weeks each year; two weeks on Brown's Bank and two weeks on George's Bank.

Local fishermen do not think this is enough to study the stocks. They think this because of what they are finding in the water. It does not bear out the department's pessimistic approach to stock evaluation. They will not go along with this with the exception of the haddock stocks which have been in a bad state since the early 1970s and are probably better today than they were then.

When I asked Dr. Leslie Harris in committee his opinion on the government's stock assessment on the Scotian shelf, he too felt that it was not good enough. The government has not yet applied the new "adapt model" to the Scotia-Fundy. This model has been used by the government to study the northern cod stocks since 1988 and, although it is not perfect, in the words of Dr. Harris, at least it would be a better evaluation than the hit and miss approach that the department is now taking.

Such an effort to evaluate the stocks might go some distance to repairing the non-existent credibility of the minister's department in this area, particularly in the Scotia-Fundy as it relates to stocks.

My second reason for being pleased was because the government has an equal responsibility to see to it that those affected by its poor management have a chance to profitably exploit the thousands of tonnes of so-called under-utilized species currently allocated to foreign boats within our 200-mile jurisdiction.

In this regard, the aid package should provide assistance to the fishermen and fish plant workers to go out after the under-utilized species and to market these species to the countries which come here to fish within our 200-mile jurisdiction and beyond. We have to put our money into establishing marketing of these under-utilized species. That means more money and considerably more money than the $1.9 million spent on all seafood promotion in Canada in 1989. This government will need to have in its aid package more money in that respect in order to fully develop on the east coast our under-utilized species and to compete with the foreigners who find it worth while to come here to fish, when we should be fishing.

• (1930)

I am not suggesting that this is a cure-all. I am just suggesting that we now have plants that are closed and boats tied up because they have been dependent on the three traditional stocks: cod, haddock and pollock. These plants and boats at present have no profitable alternative. I think one of the alternatives has to be with the under-utilized species and the markets that we could be searching for. At the same time that the minister brings out his aid package, I think the minister should listen to the fishermen and institute a uniform mesh size for not only the inshore but the offshore—those large, over 100-foot boats that are presently fishing and do not have any restriction on mesh size, and the foreigners who are fishing within our 200-mile limit who have no restriction on mesh size.

This regulation alone, if you listen to the inshore fishermen as to a mesh size, would probably conserve more fish than anything the minister could do in his aid package. I say that because in the last two weeks he has allowed the inshore 20,000 pounds of fish for three weeks, and he has allowed them to take it in cod, haddock or pollock. This means that they will go after the best fish and continue to dump. Had there been a mesh size for both the offshore-inshore foreigners, we would not have the dumping that is going on.

In closing, I asked my question in the spirit of offering advice that I thought would help the minister deal with the current crisis in a way that will lead to a positive solution and a healthy fishery for all. I do not like to see the negative approach which we have seen in the last few days which says that the minister criticizes the Atlantic Canadians for using the fishery, a renewable resource, as a point of entry into the unemployment insurance program. The fishery has been very profitable on the east cost. It is in a down period right now. We have alternatives. They are not to take away from the communities and the people who depend on the fisheries in those communities in the way that we heard from this minister last week.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, this government is committed to an Atlantic fishery industry which is viable, productive and contributes significantly to the benefit of Atlantic Canadians. We recognize the importance of Canadians using our resources to the benefit of Canadians. Under-utilized species need to be utilized where they can. Sound conservation and management practices are the foundation on which all of this is built. The Minister of Fisheries and Oceans will soon be announcing a program for the Atlantic fisheries that will address current problems and permit us to move into ensuring a long-term viable industry.

Last year the government established an independent inquiry into the scientific and management aspects of the northern cod stocks following evidence of lower than anticipated growth in the biomass. The appointed panel examined data used in assessing and forecasting catches, the methodologies used in Canada and other countries, and the calculations leading to the 1989 assessment. The report by the Independent Review of the State of the Northern Cod Stock makes several recommendations on improving estimates of stocks, improving scientific research and expanding relevant technologies in the annual assessment process and in the management activities.

Similarly, the Scotia-Fundy Groundfish Task Force addressed a broad range of issues relating to the effec-

tiveness of resource management, fleet capacity and the impact of adjustment. The task force makes several recommendations aimed at improving scientific evaluation. The task force also recommended improved conservation practices through methods such as improved regulations regarding gear size. All of these recommendations have been and will be discussed with the industry. We have already begun to implement the recommendations from these two reports and others are being explored in detail.

• (1935)

Both inshore and offshore harvesting sectors stand to gain from increased market penetration that can be realized through greater exploitation of under-utilized species. Of course, the processing sector will also benefit.

A pool of under-utilized groundfish was established as part of the 1990 Atlantic Groundfish Plan in order to increase the utilization of under-utilized fish stocks for the benefit of both harvesting and processing sectors. In addition, funds are being spent on under-utilized species under the federal-provincial fisheries subsidiary agreements. Also the Atlantic Fisheries Development Program, a Fisheries and Oceans program, funds work on the development of under-utilized species that are being caught at the present time. Some companies have already received allocations for the development of under-utilized species, particularly silver hake and mackerel.

The hon. member will know that this government has taken substantial action in this important area.

WOMEN'S CENTRES

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I rise today because I was totally unsatisfied with the minister's response to one of my questions about women's centre funding.

Before launching into my reasons why the Secretary of State's reply was unsatisfactory, I want to urge all ministers on the priorities and planning committee to positively answer the letters faxed to them by women's centre supporters in Newfoundland. The ministers have been asked whether they support the reinstatement of core funding for women's centres. It is a simple request, and a simple answer will do, a simple yes or a simple no. I urge them to respond "yes" and to send their reply to the Newfoundland women as soon as possible.

I implore this government to take positive action concerning the women's centres. Stop wasting money on unnecessary security, spend it on core funding to the women's centres. Do not blow millions on Canada Day fireworks and celebrations, spend that money on women's centres. Let us have 10 minutes less of fireworks and fund our women's centres.

I want to specifically address the Secretary of State's reply to my question on April 10. My question was: Would the minister reinstate core funding for the women's centres? My point was the Secretary of State could spend about $560,000 on extra security for his regional offices. The Secretary of State was paying to fly women from Yukon, Newfoundland, British Columbia and Nova Scotia to Montreal to meet with him about funding. Why not spend that money on core funding for women's centres and eliminate this problem altogether?

The Secretary of State is now spending about one third of the budget cuts on an attempt at political damage control. Women are angry. Women are demonstrating because the funding for essential services has been cut. These women are not a threat. They are not violent women. They are simply protesting in the ways available to them, as citizens of a democratic country, their disagreement with this government's approach. Reinstate that funding and the Secretary of State would not need to hire extra security guards.

The minister did not bother to think about the impact of extra security on the Secretary of State's regional offices. Those offices also deal with citizenship applications for new Canadians. What are refugees to think? Refugees who may have escaped from police states, only to apply for citizenship in Canada, find locked doors and swarms of security guards preventing them from entering public offices. Secretary of State offices are public buildings. The minister should know that something is deeply wrong when he decides that he must lock the offices from the public—the ones who pay for these offices.

The Secretary of State did not respond to my question on April 10. He simply attempted to turn it around and ask me if I thought he should not be meeting with women from the women's centres. Well he would not have to waste half a million dollars on security and on flying people around the country if he would simply

reinstate the core funding. He just did not have an adequate answer to my question.

• (1940)

The women from the centres just want their funding back so that they can continue to provide the information, referral and the counselling services that are essential to their communities and to the women in those communities.

I have spoken out many times, both here in the House and outside on the issue of funding for women's centres. On the particular day in question, busloads of women from Quebec came here to lobby for their women's centres. My colleague, the member for Chambly, Quebec, shared the question with me that day on women's funding. He is also very concerned about the abdication of federal responsibility toward women's centres as are all New Democrats. He mentioned that 39 out of the 75 centres completely cut off core funding are Quebec women centres. That is more than half the women centres cut. He questioned the Secretary of State's press secretary for saying that the federal cut had "a beneficial effect" on Quebec women's centres.

The press secretary tried to make it sound like Quebec's decision to increase funding for women's centres happened as a result of the federal budget and these cuts. In fact, that decision was made last summer. The Quebec government has been counting on the federal government's core funding. The extra funding was to supplement, not to replace federal funding. The Quebec government official that we spoke to that morning said that the federal budget could not be called by any stretch of the imagination beneficial to women. The Quebec government has recognized the value and the necessity of women's centres. Obviously this federal government has not.

In my own province of British Columbia women's centres are closing their doors. They are shutting down. They cannot continue to operate without core funding. Ten women's centres in British Columbia have already had to close because of this Tory government. It seems that the word "Tory" has come to be synonymous with bad news for women in Canada.

In response to the question of the member for Chambly, the Secretary of State replied how pleasant his meetings were with the women involved. They would be a sight more pleasant if he would guarantee the core funding to women's centres. Again the Secretary of State appears to be a master of avoiding the question. He did not give the member for Chambly a reply to his specific question, nor did he give me a real response to my question. My question, as taken from *Hansard* of April 10, 1990, was:

> Will the Secretary of State reinstate the core funding to women's programming and will he do it today?.

Since the minister did not answer yes or no, I am anxious to hear from his representative today. Will women's centres, the ones which have been shut, be allowed to reopen? Will the core funding be reinstituted for women's programming? Will it be done today? Yes or no?

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, I am pleased to rise in the House to respond to the hon. member's question of April 10 regarding a Secretary of State meeting with representatives from women's centres.

My hon. colleague was critical that the minister was spending money to bring women to Montreal for a meeting in light of the cuts the government has made to the core funding for women's centres.

I am sure that if the hon. member gave it some additional thought she would acknowledge that during these difficult times of financial restraint, communication between government and Canadians is of utmost importance.

By having representatives from several women's centres all together, a useful dialogue was able to take place between the minister, his officials and the concerned representatives of the women's centres.

The minister was realistic at the meeting. He did not pretend that he was about to give the women all the answers they wanted to hear. But it was an excellent opportunity for the women to voice their concerns. It was an equally good opportunity for the minister to explain the situation his department and the government find themselves in.

Although core funding to women's centres has been discontinued, the government did not take that decision lightly. It is part of the sacrifice that all Canadians are being asked to make in order to get our financial house in order.

Reducing the deficit and controlling spending are absolutely essential if we hope to build a healthy and competitive economy, an economy which will enable us to implement social programs and support social vehicles such as women's centres.

Only that kind of economy can create a social climate that will nourish true equality for women and Canadians.

The funding reductions to the women's program have been a difficult decision to make but I ask my hon. colleague to remember that during this fiscal year the women's programs will support more than 500 projects.

As the minister and other government members have pointed out the women's centres are being encouraged to apply for project funding. The minister has assured them that they will receive administrative funding for specific projects.

That is what the minister was able to explain to the women he met in Montreal. There was no illusion that everyone would go away fully satisfied, but communication is essential during these difficult times and an important exchange of ideas and opinions took place at that meeting.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 7.46 p.m.

HOUSE OF COMMONS

Tuesday, April 24, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, government responses to 163 petitions.

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

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COMMITTEES OF THE HOUSE

CONSUMER AND CORPORATE AFFAIRS AND GOVERNMENT OPERATIONS—SECOND REPORT OF STANDING COMMITTEE

Mr. Garth Turner (Halton—Peel): Madam Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Consumer and Corporate Affairs and Government Operations.

I am pleased to table this report entitled *Moving the Mail*, concerning Canada's postal service in the 1990s. It is the result of extensive study of postal operations by the committee which were begun in October, 1989. Members of all parties worked very hard on this report and we heard submissions and witnesses from across Canada.

Our mandate was to examine the current operations of Canada Post with a view to recommending improvements for the future, improvements in operating efficiencies for Canadians. We had substantial agreement among all three political parties on this report. Out of 39 recommendations we had agreement on approximately 30. The report does include minority reports on those areas where we did not find unanimous agreement.

We found that Canada Post works well today and the more it acts as a private sector corporation the better and more efficient it has proven itself for Canadians. Therefore, we are recommending the eventual privatization of Canada Post. We are recommending a share offering to both Canadians and to employees of Canada Post.

Privatization must be done in an atmosphere of regulation, therefore, we also recommend that Canada Post operations be tightly regulated so that the needs of all Canadians for efficient and effective postal services are maintained.

We also recommend that Canada Post rely on its strengths and put more effort into the sorting and distribution system.

Pursuant to Standing Order 109—

The Acting Speaker (Mrs. Champagne): Point of order. The hon. member for Kingston and the Islands.

Mr. Milliken (Kingston and the Islands): Madam Speaker, as I understand it, we are in Routine Proceedings on presentation of reports of committees. The hon. member is making a speech. Either he presents his report and gives a very brief summary of what it is about, or he does not present it. If he is going to present it, present it. If he is not, then he can sit down and say nothing.

The Acting Speaker (Mrs. Champagne): The hon. member has almost finished his statement. The hon. member for Halton—Peel.

Mr. Turner (Halton—Peel): Madam Speaker, perhaps some members do not like the content of the report but nevertheless the committee does recommend that under Standing Order 109 we request that the government respond to our report. I thank the House for its indulgence.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, in looking at the presentation of reports section which you have called, the Standing Committee on Consumer and Corporate Affairs and

Government Operations just tabled its report on the postal system.

My dissenting opinion is included in part in that document which has just been tabled. I wish to ask for the unanimous consent of the House to table the entire report that I have written as a dissenting opinion.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, there was discussion at the committee level, and it was agreed by at least a majority decision that the opposition parties would be limited to a certain number of pages. I managed to live within the constraints given to me by the committee and I do not see why others cannot do the same.

The Acting Speaker (Mrs. Champagne): My first remark would be to the hon. member for The Battlefords—Meadow Lake. When reporting to the House from committee the hon. member who presents the report is allowed to make a succinct explanation of the subject matter of the report. Normally nobody else should be presenting any reports.

• (1110)

Should there be unanimous consent in the House for the hon. member to present his opinion I would be ready to accept it but I already have someone who has refused that possibility and henceforth we will be continuing.

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

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[*Translation*]

PRIVILEGES AND ELECTIONS

MOTION FOR REFERENCE TO STANDING COMMITTEE UNDER S.O. 140

Mr. Gabriel Fontaine (Lévis): Madam Speaker, today I wish to table a motion for reference to the Committee on Privileges and Elections of a petition for a private bill that was filed late. The motion reads as follows:

> That pursuant to the provisions of Standing Order 140, the petition of Desjardins Mutual Life Assurance Company, filed after the time limit specified in Standing Order 132, and the Seventh Report of the Clerk of Petitions, tabled in the House on Thursday, April 5, 1990, be referred to the Standing Committee on Privileges and Elections for appropriate recommendations by the committee.

Madam Speaker, there have been discussions with the other two political parties, and it seems that there may be unanimous consent this morning for concurrence with this motion by the House.

The Acting Speaker (Mrs. Champagne): Shall the hon. member have the unanimous consent of the House to introduce his motion?

Some hon. members: Agreed.

[*English*]

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

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PETITIONS

GOODS AND SERVICES TAX

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I have the duty to table a petition which has been found correct and certified as to form and content.

The petitioners, who are numerous, would like to humbly submit to this House that the imposition of another tax on Canadians, in particular the goods and services tax of 7 per cent, will be strongly opposed by the majority of Canadians. This tax will cause serious and unfair hardship for low and middle-income Canadians. They say further that the imposition of this tax will create an onerous burden on small business.

They strongly oppose the imposition of the goods and services tax, which in their opinion is an unprecedented tax grab from the pockets of Canadians and will hit us all not only with higher taxes but with higher inflation, higher interest rates and unemployment. The petitioners humbly pray and call upon Parliament to reject the proposed goods and services tax and hope the Senate will do that.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my pleasure as well to present a petition pursuant to Standing Order 36 from a number of petitioners from the constituency of Kamloops who point out their concerns with the goods and services tax.

They feel that this is a very unfair tax which permits people to be subjected to taxes on reading, diapers, coffins, home heating fuels and so on. At the same time they point out that there is no effective minimum tax on large profitable corporations. They are asking the Parlia-

ment of Canada to cause the government to cease with this proposal, which they say will shift the tax burden on to ordinary Canadians with a very regressive consumption tax instead of through real tax reform policies. The petitioners hope that the Senate will stop this tax, although I do not know if they have confidence that that will actually take place.

* * *

CHILDREN'S BILL OF RIGHTS

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have another petition that points out that the number of children living in poverty in Canada is actually increasing. The petitioners ask the government to consider introducing a comprehensive bill of rights for children, since they have already opposed the initiative introduced by a private member in Motion M-254.

GOODS AND SERVICES TAX

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I wish to present a petition on the goods and services tax. It is signed by 35 Canadians, some of whom are members of the Canadian Teachers' Federation.

They are very concerned about this goods and services tax. They feel that the tax is regressive, inequitable, and threatens the already precarious financial stability of our public schools and other social services. They feel it is not acceptable to them as a special segment of our society and that is the teaching profession.

They are also concerned about the effect it will have on the middle-income Canadians in my riding who are the parents of the students. On that basis and others, they are calling upon the government to reject this proposed goods and services tax.

OLD AGE SECURITY

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

It contains the signatures of many, many Canadians who reside not just in my riding but in surrounding ridings. The petitioners request that the federal government immediately affirm the right of all Canadians to receive universal access to benefits of old age security payments by cancelling plans to introduce a clawback tax regime on old age security payments.

GOODS AND SERVICES TAX

Mr. Stan Keyes (Hamilton West): Madam Speaker, while I am on my feet, I also have the duty, pursuant to Standing Order 36, to present to the House petitions certified correct by the Clerk of Petitions containing the signatures of hundreds of Canadians who strongly oppose the new goods and services tax. In their opinion, it is an unprecedented tax grab from the pockets of Canadians and will hit them with not only higher taxes but higher inflation, higher interest rates, and higher unemployment.

Finally, Madam Speaker, I have the duty to present to the House petitions numbering literally in the thousands. The petitioners call upon the government to put a stop to the implementation of the goods and services tax. They strongly oppose the proposed goods and services tax. Unfortunately for the thousands of people who signed these petitions, the petitions themselves could not be certified correct and, therefore, I will take it upon myself to have them directed to the Minister of Finance as soon as possible.

Mr. Jim Karpoff (Surrey North): Madam Speaker, pursuant to Standing Order 36, I have the privilege of filing a number of petitions concerning the goods and services tax containing 35 pages of signatures from residents of Surrey and other lower mainland municipalities. The petitioners point out that the proposed goods and services tax is an unfair taxation because it lacks regard for the taxpayers' ability to pay.

It calls upon Parliament to reject the present goods and services tax and to bring in true tax reform, including a minimum tax on wealthy individuals and corporations.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to table another petition. To some it may seem late. It is a petition signed by numerous residents of Kingston who are opposed to the goods and services tax.

The petitioners say that, while the tax has been passed in this Chamber against the wishes of the opposition and some of the members on the government side—now former members on the government side—they will, I am sure, place their hope in the unelected Senate in the expectation that it will return that bill to this House so

we can have another vote on it and perhaps defeat the bill.

They call upon Parliament to reject the goods and services tax, and I urge hon. members opposite to heed the prayer of these petitioners.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Champagne): Shall all questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

GOVERNMENT EXPENDITURES RESTRAINT ACT

MEASURE TO AMEND – ALLOCATION OF TIME FOR THE CONSIDERATION AT SECOND READING STAGE OF BILL-69

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House) moved:

That with respect to Bill C-69, an Act to amend certain statutes to enable restraint of government expenditures, one day be set aside for the consideration of the second reading stage; and

That fifteen minutes before the end of the period provided for Government Orders, any proceedings before the House shall be interrupted, if required, for the purpose of this order and, in turn, every question necessary in order to dispose of the second reading stage shall be put forthwith and successively, without further debate or amendment.

Mr. Gauthier: This is unacceptable, Madam Speaker!

• (1120)

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I have the questionable privilege of rising in the House today to speak to the motion moved by the Deputy Leader of the Govermment in the House of Commons, and once again, it is a mistake on the part of this government to introduce such a motion.

Madam Speaker, it is the sixth time the government has moved a motion for time allocation in this House, in this Parliament, and it is a dreadful thing because it indicates that the government has lost control of the House and that it does not have the slightest idea how it should introduce bills and motions in this House and deal with public matters that are so very important.

In addition to its sixth motion for time allocation, the government has imposed closure thirteen times during this Parliament, more than any other government in Canada's history. I say that this is the worst government Canada has ever had, because of its failure to deal with the business of this House in a simple and orderly fashion. I say that this government should be deeply ashamed of its failure to accomplish anything important in this House and its failure to deal with government business. Closure thirteen times, time allocation six times and now the seventh time during this Parliament. This is going too far!

The Leader of the Government is not in the House today, but his deputy who is here should be particularly ashamed of the government's decision to table this motion today.

[*English*]

I have spoken many times on the evils of closure in the House, and the way the government treats this Parliament with contempt. I regret that I have to make a similar address today because what we are witnessing in the House is a complete violation of the principles of parliamentary procedure. One only has to look at the rules to see what it is that is contemplated on second reading of a bill.

[*Translation*]

At the second reading stage, the Standing Orders provide for eight hours of debate after the first three speeches by the minister who introduced the bill, the Official Opposition spokesman and the spokesman for the third party in this House. These three speeches, each of which may last forty minutes, are not included in the eight hours of debate. Subsequently, eight hours of debate are provided: twenty minutes for each speech, plus ten minutes for questions and comments. We now have a situation where there have been practically no bills on which the government has allowed eight hours of debate during this Parliament. Perhaps on the abortion bill, but otherwise, practically no bills had eight hours of debate before closure or time allocation was imposed.

After those eight hours, what do the Standing Orders say? Ten minutes for each speech, and we have not had a single ten-minute speech on this bill. We have had only two hours and twenty-one minutes out of the eight hours provided by the Standing Orders for each bill considered by the House. And before those two hours and twenty-one minutes were up, the government gave notice of this motion for time allocation.

[*English*]

It is a shocking outrage that the government would proceed in this fashion. It is unable to come to negotiate any arrangement with respect to public business. It does not seem interested in negotiations and is interested only in allowing the bill through.

The approach of the government to this House is: "We don't want to hear your debate on this bill. We just want to know when you're gonna pass it. It is adopted as is. Pass it as is and, if you don't want to pass it, then we'll just impose closure and get it through anyway." There is no desire to listen to the opposition.

I was elected to represent Canadians in the House, as was every member of the opposition. We have a right and a duty to discuss bills in the House and to point out their shortcomings and their failures to the government. Yet, the government's expectation is that we will do that in three or four speeches, and then allow the thing through. That is the expectation.

I can think back to Parliaments in years past when I followed the proceedings of the House—not as a member—either from them galleries or by reading the debates. Many debates on many bills went on for a week or two weeks at a time. We have not had the luxury of any such debate in this Parliament. What is the urgency? There is no urgency. The government lets us go on extended breaks from sitting here. When we come back, it says: "We want this bill through in two days, one day or three days." Three days is usually the maximum.

Mr. Gauthier: Or two hours.

Mr. Milliken: Or two hours. The government says: "We'll cut off debate whenever it is finished."

As the hon. member for Ottawa—Vanier says, two hours is generous in the government's view for debate on particular bills.

I say this is not the way Parliament works. This is an institution for debate, not an institution for passing bills just because the government says it has drafted the bill and it is ready to pass it.

I can understand how government members in the House must be bored with a bill by the time it comes to the House of Commons. I am sure they have had extensive debates on most of the bills in Cabinet. That is what goes on.

Mr. Mills: They're nervous about defections.

Mr. Milliken: They are nervous about defections, as the hon. member for Broadview—Greenwood points out. The government has had two defections already and I hear there is going to be a flood of them coming up. Rats off a sinking ship!

Aside from that, they have clearly had to debate these bills for so long in cabinet that they are bored with the debate. They say: "We've heard it all now. We don't need to listen to members of the Opposition on this bill." Their cabinet obviously is badly divided on these issues. They cannot make up their minds. They finally do long after the bill should have been introduced. They come waltzing along to the House, drop the bill onto the table, and say: "Pass it now."

That is the attitude of the government House leader. It is a bad attitude. I hope the new deputy government House leader will avoid that attitude, will chastize his boss, and try to get it changed. It is the wrong approach to the operations of a parliamentary democracy.

This Parliament exists to debate these bills, to point out their shortcomings, and to give the people of Canada who are opposed to some of these measures the opportunity to express their opposition and disapproval.

The government feels, probably because the bills are so dreadful, that, rather than listen to the people, it is simply going to cut off debate at every opportunity. We have had it cut off, as I have indicated, so many times. There have been 20 times now in this Parliament by either closure or time allocation. It is too many. It has gone on too long, and this debate has not gone on long

enough. Yet, here we have the government trying to silence the people of Canada.

I challenge any one of the ministers who was elected to serve in the House to stand on his feet to participate in the debate on this bill and allow the debate to go for more than one more day as proposed by the deputy government House leader. They, too, were elected by their constituents.

The people of Kingston and the Islands had enough of this government in the last election campaign in 1988. They wanted representation in this House that was effective, that would be a voice to speak up for their rights that were being violated by this government by the passage of the kind of motion that is being introduced here today. They did not expect to have a member of Parliament whose views would be stifled by continuous application of closure and time allocation such as has gone on in this House 20 times already in this Parliament, and we have not yet sat two years.

• (1130)

Never before has a Canadian Parliament been treated to this kind of abuse. It constitutes an abuse of the rights of all parliamentarians and a contempt of this House of the worst kind. The Deputy House Leader should have the rummel gumption to stand up and withdraw this motion at once and apologize to the House for having introduced it.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, to echo my colleague's last words, I wonder if the Deputy House Leader would not want to resign from his position, because I cannot imagine that the Deputy House Leader is serious when he says that we have had enough time for debate on Bill C-69. After all, Madam Speaker, this is a bill that is going cap federal government support for post-secondary education, for health and hospital care and for social services and social assistance in the provinces. In other words, this bill goes against the very grain of what a Canadian and what Canada is all about. Yet the government says we have had enough debate.

Madam Speaker, we have only started the debate. Once again, we have only had less than three hours of discussion on this most important piece of budget legislation that we are going to debate in the next number of months and after two hours and 20 minutes of debate the government says: "We have had enough, we do not want to hear any more dissent, we do not want to hear any more opposition voices. We do not want to be reminded of what it is we are doing; we do not want the people of Canada to understand what the government is doing".

This comes at a very interesting time. In another part of the world, in some of the communist countries in eastern Europe, the governments are opening up their Parliaments; they are saying that they are prepared to listen to a dissenting voice. They are prepared to recognize that the opposition has a role. They are prepared to listen to voices that criticize what the government of the day is doing.

That is going on in eastern Europe, and the world rejoices at that. Yet in our own country, with the Progressive Conservative government, time after time after time the government says it is not going to permit those people who were elected by the people of Canada to express their views in the House of Commons that opportunity.

Look at the benches today. The benches on the opposition side are filled today. I suspect that all of us on the opposition side want to speak out against the government's cuts to post-secondary education and to health care. Yet the government says it is not going to permit the House of Commons to function as the House of Commons is supposed to function. It is not going to permit members of the opposition to express their views on this legislation. It is not going to permit the democratic system to work in the country.

The Acting Speaker (Mrs. Champagne): On a point of order, the hon. member for Surrey—White Rock.

Mr. Friesen: Madam Speaker, the member for Kamloops has just said that all the opposition benches were filled. I would ask him to list the names of the four NDP members who are here today.

Mr. Riis: Madam Speaker, that is the usual inane comment that we would expect from that member. I am not even going to refer to what is sitting across on the government side and be caught in that same nonsense. But you will see, Madam Speaker, that he will not participate in this debate because he is embarrassed and the best criticism he can make is to rise in his place and make a nonsense comment about attendance in the House of Commons when it is his government that is forcing the goods and services tax down the throats of every Canadian against their will.

Eighty per cent of Canadians say that they oppose this legislation; 80 per cent say: "Do not proceed". Yet this government says it is the big brother government, it is hiring thousands of tax collectors. The government says that it knows what is best for Canadians, it does not listen to any alternatives. It is the big brother of the system now; it has the majority; it is arrogant. It can do anything it wants to the people of Canada, including jamming this tax down their throats.

That is the kind of government we have—an arrogant government, a government that is undemocratic, a government that has contempt for the House of Commons, a government that has no respect for the parliamentary traditions of this country, because if it had it would permit debate on one of the most important pieces of budget legislation before the House.

But it does not and the point I was making is that, as you can see, there are opposition members here who were elected to represent their constituencies. They were elected to speak out on legislation that is before this House and this government will not allow the opposition to do that. This government will not allow the people of Canada to be heard.

That is why I say that there is the sound of jackboots in this building at the moment. You can hear jackboots crashing across on the government benches as their dictatorial, totalitarian ways are perpetuated time after time.

I ask my friends opposite whether they can remember a government in the history of Canada that has used closure so many times to muzzle debate in the House of Commons. There has never been a government that has used the heavy hand of muzzling Parliament time and time and time again. As a matter of fact, just in this short Parliament it has been used 13 times on legislation on which the government has refused to allow proper debate.

You know as well as I, Madam Speaker, that we only allow eight hours of full debate and after that we get into 10 minute speeches by members. That curtails debate after two or three days normally. After only one hour of debate the government gave notice that it has had enough. I say that that is not the democratic tradition that people in this country have fought to uphold for generations. This government has said to the people of Canada: "We have the majority now and we are going to do whatever we want, including making the Parliament of Canada irrelevant".

I still cannot believe that my hon. friends sitting across the way are so determined to jam this goods and services tax down the throat of every Canadian because they actually support it, and yet it seems that they do because they vote time and time again in support of that legislation.

We have a job to do, and our constituents expect us to do that job. The job of representatives of the opposition parties is to offer criticism to the government's legislation when it is brought forward. If it is good legislation, we support it. We have, on many occasions, with very little debate and on occasion with no debate, simply passed good legislation.

But when we see a bill like Bill C-69 through which the government is going to essentially abandon the support we in this country have known for post-secondary education, naturally a number of us want to speak against that particular initiative. After all, the young people in this country are the lifeblood of the country. They are the most important resource we have in Canada. Our young people are pursuing post-secondary education so that they can play their rightful roles in an information-based economy of the 1990s and beyond. Yet this government says, presumably, that it does not believe in young people. It does not believe in funding post-secondary education. It does not believe in doing what virtually every other western industrialized nation is doing, that is investing in our most important resource which is the young people of our country.

The government is going to cap support for post-secondary education. Can you imagine anything more regressive, more thoughtless than that? If the people of Canada knew what the government is doing, if they understood that this government is not going to continue funding the hospitals of Canada, is not going to continue supporting health care and medicare in this country as we have known it in the past, is not going to support our universities, vocational schools, technical schools and colleges as it has done in the past, the people of Canada would be even more cynical of the role the government is playing.

To stave off this opposition the government is going to try to keep the people of Canada from knowing what it is doing. The best way it can do that is to silence the House of Commons, to silence the opposition benches from exposing what this government is attempting to do in these critical areas of health care and post-secondary

education. The government has announced now that it is going to close off debate, that it is not going to allow members of the opposition, or perhaps even members of the government, to express their views.

I submit that that is undemocratic, that it goes against the very parliamentary traditions that we have upheld and felt so strongly about in our country for generations, and that it adds to the dislike of the people of Canada for this government. How can you, Madam Speaker, respect a government that is anti-democratic? How can you respect a government that is totalitarian in its approach to the House of Commons? How can you respect a government that is anti-democratic day after day by muzzling the members of the House of Commons?

• (1140)

The fact that only 16 per cent of the people of Canada now reluctantly support this government—and that number is probably dropping—is no surprise.

In closing, I suggest that if this government continues to be so anti-Parliament in its process, to be so anti-House of Commons, to be so anti-democratic, not only will it lose the 16 per cent of the support of the people of Canada, it will erode even further and this government deserves the erosion of that support.

Hon. Paul Dick (Minister of Supply and Services): Madam Speaker, I could not help but listen to the rather ridiculous, I feel, speeches made by the member for Kingston and the Islands and the hon. member for Kamloops. As a matter of fact, the member for Kingston and the Islands did not spend any of his time dealing with the substance of the legislation and went on dealing with the motion for time allocation.

Mr. Gauthier: Madam Speaker, I am sure the minister knows we are dealing with the time allocation, the guillotine of time allowed on a bill, not with the substance of the bill. So he should address the subject that is before the House, that is the procedure, not the substance of the bill.

Mr. Dick: Madam Speaker, if they want to they can talk about the substance of the bill at the same time, but of course they are going to use the two hours to rail away. My hon. friend from Kamloops actually spent two minutes of his time talking about the substance of the bill. For the other eight minutes he talked about jackboots.

Take a look at the press gallery. There is not even the lone sentinel from the Canadian Press who is usually up there. The press is not even interested in what the opposition is doing.

Ms. Clancy: So you debate for the press, do you?

Mr. Dick: Take a look at the democratic institutions in this world and you will find that we are the longest winded legislature in the democratic free world. We sit more days, talking longer. There have only been two debates since 1950, at second reading, that have gone longer than two days in the British House of Commons. Debate went six days when they entered into the European Economic Community and three days when they got rid of the Greater London Council.

I had the opportunity of sitting on the opposition side for 12 years. I know how it used to be. The idea is to talk, talk, talk, to try to force the government to bring in closure or time allocation. I know it is a tactic which is used.

I really think that we in the House of Commons are on the edge of talking ourselves into irrelevancy. I think we should sit down and modernize what we are doing in this place. We should come in tune with the times. The member for Kingston and the Islands was talking of a week or two weeks for debate at second reading stage, yet they go for a maximum of two days in England on second reading.

There is lots of time. We are going to have another six hours of debate on this. There is going to be a chance for more discussion.

We really have to look at the fundamental way in which we run this place. Instead of always just opposing, getting counteracting ideas from the government side and then comments from the opposition, I think we should sit down and fundamentally look at how we run this place.

For example, I know the stall tactics of putting up petitions. In England every petition gets filed with the Clerk. They respond to them. We can file with the Clerk here. We do not have to stand up and spend hours of House of Commons time reading them. Nobody ever watches it on TV and nobody reports them in the paper. They are reported in the Order Paper when they are

filed so you get as much printed press as you do when you stand up and talk about them.

We can make some observations of how other Parliaments run their affairs. Instead of becoming irrelevant and wasting time, I think we should try and organize ourselves. Perhaps on an all-party basis the House Leaders would want to sit down to organize ourselves in a better way, instead of talking about such ridiculous stuff as jackboots.

You have to admit, when you get that sort of trash introduced as a speech in the House of Commons you have to question why we are standing here taking up time, why we are spending the money, why we are being so foolish.

So let us become a little more sensible and more realistic in the modern day. Let us use Parliament to debate matters and move on. We do not have to drag them out for a week or two weeks at a time. We have to move them along. I do not think we have to hear such trash as having two weeks debate on this, that and the other thing, or that it is a place of jackboots.

Closure and time allocation has been around for a long time. You can count the number of times the Liberals used it in the last Parliament before they turned the reins over to the Conservatives. They used it many times. We used it many times in the last Parliament. The pressures of the times are going to be realized. Nobody even comments on it any more in the press because it is used so regularly and they know it has to be, otherwise the opposition will just hold things up.

We saw what the NDP did on the goods and services tax. The very party which agreed with the goods and services tax in 1987 is now trying to talk it out at committee and in the House of Commons, through all kinds of procedural tactics, rather than getting on with it.

The government has the right to propose things. The House of Commons should dispose of things. The opposition may wish to oppose on certain occasions, it may wish to agree on certain occasions. If we oppose on all occasions and try to hold up the disposition of things for one week, two weeks, or three weeks, we become irrelevant here. I think we should look at the fundamentals of the system, otherwise it is going to become a jackboot and irrelevant place.

Ms. Mary Clancy (Halifax): Madam Speaker, I rise to express my disappointment at the cutting off of debate and the use of time allocation on a very important topic for the people of my region and the people of my city.

I cannot believe that in the alleged interests of modernizing this place, we as members of Parliament should choose our topics for debate and decide the business of this Chamber on the basis of whether the press gallery is empty or full. Even to suggest that is to denigrate the work that is done here and done ably by members on both sides of the House.

Mr. Dick: Not always.

Ms. Clancy: Definitely not always, and I am glad the member recognizes that. However, the question of time allocation on this particular bill is one that cannot be allowed to go by without strong protest from elected members of Parliament.

What we have here is time allocation on cuts to post-secondary education. What we have here is time allocation on cuts to health care. What we have here is time allocation on capping the Canada Assistance Plan.

In my region in the Atlantic people depend very much on funding such as this to maintain some sort of level playing field with the rest of the country. The people in the Atlantic region, the strongest supporters of post-secondary education in this country, see, along with all of the other things that have been thrown at them by this government in the past five years, the almost total erosion of federal funding for absolutely necessary services.

Are their elected representatives, the majority of whom sit on the opposition side of the House, being given a fair amount of time to put forward their views? No, they are not. The government has used its garotte and time allocation has been brought in for the twentieth time in the young life of this particular session.

• (1150)

When the universities in Atlantic Canada see that they can no longer offer the number of programs that they offered before these cuts were made, when those same universities see that they cannot pay their faculty and their staff according to the levels that are paid in the rest

of the country, they are going to remember that their elected representatives were cut off in debate and not permitted to put forward the views of the people of the Atlantic region.

When health care cutbacks seriously affect the quality of life of Atlantic Canadians, Atlantic Canadians are going to remember that this was the twentieth time in a Parliament that commenced sitting in December, 1988, that this government said that it does not matter what the opposition thinks, it does not matter what the people represented by opposition members want to say and want to have said on their behalf, all that matters is that this bill gets tabled and gets passed as fast as humanly possible.

This chamber is an historic and almost mystical place for those of us fortunate enough to come here to represent our fellow Canadians. If we do not give this chamber and all its works the respect and time due to it, then we create in those people whom we represent from the Atlantic to the Pacific a sense that we are useless, that we are not here for any purpose. I do not believe that, you do not believe that, Madam Speaker, and neither, I believe, do the members opposite believe that.

But perception in politics, perception in government, means a whole lot more a great deal of the time than actuality. To use this Draconian measure 20 times is something that Canadians are not going to put up with.

I realize that the government has a fear of having a long drawn out debate on this because it is unfair. I realize that the government will do anything to avoid long discussions on the fact that it is cutting back on programs that mean survival to institutions and to health care programs, to child care programs and to various other social institutions in this country without which the lives of individual Canadians are going to be bleaker and more difficult with a loss of hope and, sadly, a loss of interest in how this country works.

Mrs. Finestone: And service.

Ms. Clancy: And yes, service as well, absolutely.

I suppose, after listening to my learned colleague from Kingston and the Islands, my distress and upset at what this government is doing in this particular case is tempered, again sadly, with a sense of cynicism that it does not matter what you do, whether it is good or bad, as long as you do it quickly so people will forget.

So we will do these things that are counter-productive for Canadians, we will do these things that are going to close hospital beds all over Atlantic Canada, that are going to shut down university classrooms all over Atlantic Canada, that are going to cut out of much needed day care spaces in Ontario, Alberta and British Columbia. We are going to cut back so that the university education, of which Canadians have long been so rightly proud from coast to coast, is no longer an asset that Canadians can put on the international market and say: "Here we are. We can hold up our educational backgrounds and our training with anyone", so that the government can sweep yet another massive whiplash attack on its citizens under the rug of parliamentary procedure.

For 20 years I have watched and studied the Canadian political system, going right back to the great pipeline debate of the 1950s when closure was introduced by a Liberal government, to its great detriment. Canadian citizens talk very little about the procedures that we go through in this House. Frequently they have neither the time nor the inclination to watch what we do in this House. But closure is something that Canadians do understand. They do understand the stifling of debate and they do understand what it means when their duly elected representatives are precluded by the government from doing the job that they were elected to do. Certainly, Madam Speaker, they do understand that when these things are said by members of the government, and when opposition members are told that the importance of their work here in this Chamber can only be gauged by whether or not it makes the national news, the national newspapers or the early morning radio, then I think Canadians have a right to stand together and cry "halt".

This bill that is being cut off from debate deals a blow to the citizens of my region and to the citizens of all the regions of Canada. It is wrong that the time for full debate and the time for full discussion of what Canadians want from their federal government should be shoved into some small corner of the parliamentary calendar and left again to be swept away because the government feels, in its bizarre and ultimate wisdom, that it knows what is best for Canadians, and that what is

best for Canadians is not having elected members of Parliament stand and oppose, as they are constitutionally elected to do.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I rise today to also speak against the time allocation motion on Bill C-69. I am disappointed that once again this government is thwarting the rights of the representatives of the people of Canada to be heard on an important issue.

Since I have been elected, time and again we have seen from this government time allocation motions, closure motions, the stifling of debate in the House of Commons. The attitude of this government appears to be to not bother with the democratic process, to not listen to the ordinary folks of Canada. We have even seen this government drag off Parliament Hill protesters who were peacefully protesting against this government's actions.

The Tories do not want to hear what the people of Canada, the Official Opposition, or the New Democratic Party has to say about Bill C-69. They have made that very clear.

Clause 2 of Bill C-69 limits spending under the Canada Assistance Plan to only 5 per cent for British Columbia, Alberta and Ontario. This will affect social assistance, child care and shelters for battered women. That is the mechanism for funding those programs in this country between the provinces and the federal government.

Provinces and territories other than British Columbia, Alberta and Ontario are exempt from this capping for the time being. That does not mean that in the next round the government will not attack their social programs, their child care and their shelters for battered women as well.

The government is dismantling social programs. The government promised child care before two elections and then scrapped the plans for a child care program immediately after the elections. The government completely cut core funding to women's centres so that women's centres that provided referrals to shelters for battered women are closing. Already 10 centres have closed in British Columbia. Now the government is going even one step further and attacking the shelters themselves, the child care programs that were already in place and the poor of those three provinces.

As my colleague, the member for Mission—Coquitlam, has already said, Ontario, Alberta and British Columbia may be better off in this nation, but the poor in those three provinces are just as poor as the poor citizens in any other province. Approximately 46 per cent of all persons receiving assistance under CAP live in those three provinces.

• (1200)

The finance minister is predicting higher unemployment. At the same time his government is hacking at the unemployment insurance program. There will be nothing left for these people to live on but social assistance. Now the Tories are trying to restrict that too.

Some analysts say that the 5 per cent growth limit will only just cover inflation. It will not be anywhere near adequate enough to cover the increased need that has been created by Tory economic mismanagement.

What will it be next? The Tories have already attacked pensions. They have already attacked family allowance programs. What is left for this government to attack?

There is already a child care crisis in this country. In my province of British Columbia there are only 20,000 licensed spaces for the 300,000 children requiring care. British Columbia is one of the provinces that has been slapped with a spending limit on child care.

Violence against women in our society is a serious and an urgent problem. It is something we hear members on the government side mouth platitudes about, but what women really need is action to address this problem.

One in every two shelters for battered women must turn women and their children away because they lack space to house them. That is how it is right now. The Tories have chosen at this time to slap a spending limit on shelters for battered women in those three provinces. It is shameful.

In my province of British Columbia, the provincial government—the cousins of the Conservative government, the Social Credit Party—have already choked the poor. There are two food banks in operation in my constituency. Those food banks have been in operation for many years now. They have become institutionalized in British Columbia. This is not the time—nor is there

any time—for the federal government to abdicate its responsibility toward Canadians.

In 1981, a parliamentary task force stated that the federal government has "a constitutional responsibility for programs of income redistribution, including social assistance programs paying money to Canadians anywhere in Canada".

This government has ignored the requirement in the Canada Assistance Plan to give the provinces one year's notice of any change in CAP funding. The federal government is currently being challenged in the courts by British Columbia as to its illegal and unethical practices concerning CAP.

The Canada Assistance Plan was first introduced in the 1960s as one of five measures to reduce poverty in Canada. Canadians know now—if they did not know before—that the Tories really only care about their rich friends, the friends and the insiders of this government. It proves it to us every day. It proved that it does not have an inkling of feeling, respect or of concern for lower and middle-income Canadians.

We have heard members on the government side talk about the savings from cutting the CAP. Who is saving? If the federal government saves, provincial governments have to spend more. It all comes out of the same taxpayer's pocket. It is ordinary Canadians who pay the bills in this country. There is absolutely no savings for the Canadian taxpayer. They only see their taxes going one way—and that is up. They pay more and more taxes and receive fewer and fewer services from this government. There is really only increased hardship for those at the lower end of the economic spectrum.

People who need jobs and food, children without anyone to care for them, battered women—these are the people who are paying for this federal government's imaginary savings.

This government is behaving in a disgusting way. We have the right to speak out. That is the democratic process. We have the right to speak out about what the Tories are doing to our country. We have the right to say that we have had enough of this government's economic mismanagement.

We want care for our children. Women want somewhere to turn to when they are battered. They do not want to find the doors of women's centres locked. They do not want to go to a shelter when they have been abused and battered and find there is no space for them or for their children.

We want our children to have food to eat. Canadians do not want to line up at food banks, to be seen standing at the door of a charitable institution. They want a decent standard of care for themselves and for their children. They want decent jobs. They want to have a secure future for themselves and their families.

That is what Canada is about. Canada is about free speech, about a caring and a compassionate society. It is about good social programs and security for all its people. That is what this government is trying so hard to destroy.

We want the opportunity to express fully our opposition to this bill. I urge all members of the House not to support the time allocation motion on this important bill and, further, to vote down this unethical bill, Bill C-69.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, we are witnessing today another sad event in the history of Parliament. This is the first time that a government has had to give notice of two measures to stifle debate, to apply the guillotine to parliamentary proceedings. To justify its ends any means is now to be used.

Indeed, a sign of a desperate government that does not know how to administer the House of Commons or how to manage the time of the House of Commons is when it has to throw the book at the opposition, as it did yesterday, and give notice that on the one hand it might use closure, but on the other it might use time allocation.

Those are the two measures at the government's disposal to cut off debate. This bill is a very important measure put forward to cut expenditures of the federal government in many important fields of Canadian systems and programs under the EPF dealing with health care and education. EPF is the program under which the government funds post-secondary education, health care and some of the Canada Assistance Programs.

It has been said before in this House, and I think it is worth repeating, that this is the twentieth time the government has moved such a motion in this Parliament. It is the thirty-fifth time that the Tory government has used either closure or time allocation since it took power

in 1984. That does not say much for its capacity to administer the House.

However, it says much about the jackboot approach to the opposition in trying to prevent democratic debate on important matters. It says much about not giving the opposition a chance to explain to Canadians what is in the legislation. The government surely does not explain to Canadians what it is doing. That is possibly why today it is the least popular party in the history of this country. Some 15 per cent of Canadians, at best—according to the results of the latest Gallup poll—support the Tories.

In my view, it is a sign of a government in trouble, a government which is desperately trying to shut off debate to prevent Canadians from hearing the truth about its legislative programs. What does it do? It imposes the guillotine. It cuts off debate after less than two hours and fifteen minutes on a bill that is very important to Canadians which deals with programs to which we in Canada attach great importance. I am talking about programs which fund post-secondary education and health care—one of the best programs in the world—and the Canada Assistance Plan which has been capped in certain provinces.

It is as though the poor in Ontario, my province, were any different from the poor anywhere else in this country. The poor in Ottawa—Vanier are just as much in need of attention as any other poor people in this country. This Tory government is saying to the people of my riding of Ottawa—Vanier: "If you are poor, we are sorry, but you are going to have to submit yourselves to a system which is absolutely unable to respond with care, understanding and generosity".

• (1210)

I cannot understand why this government would use at this stage—as I said before, after less than two hours and fifteen minutes of debate—time allocation, a form of closure, on a bill of such great importance to Canadians. I cannot understand why it would allow one additional day of debate, which could possibly be tomorrow, a Wednesday, which is a very short day, giving us less than the normal eight hours allowed on second reading of a bill before we proceed to the 10-minute speeches. The 10-minute speeches are a way of getting more members of Parliament involved in debate. In that way we can hear from all the regions of this country, from all the people duly elected in this House.

A government which has by all accounts fewer friends than supporters than any party has ever had in the history of this country is indeed in trouble. With less debate on this important legislation—and I will address in a few minutes what it deals with specifically, because I think it is important that Canadians out there understand that what this government is doing is choking off debate on—

Mr. Crosby: Oh, oh!

Mr. Gauthier: I hear: "Oh, oh" from the member for Halifax West. Well, oh, oh, to him too. He should be ashamed to be a member of that crowd, that gang of people which will not let the opposition speak on this bill. It imposes its will on the minority. It calls upon its huge majority in this House to do so. By all accounts that huge majority will evaporate. It will become absolutely impossible to achieve in the months and years to come.

I hope that the member for Halifax West is not one of those who will vote for restricting debate, for putting closure or time allocation on this motion.

[*Translation*]

—because, Madam Speaker, this government measure, Bill C-69, is aimed at reducing transfer payments to the provinces for higher education, slashing health care programs, and capping funds paid to Ontario, my province, Alberta and British Columbia under the Canada Assistance Plan.

Since 1986, Madam Speaker, this is the third time the government has been gunning for Established Programs Financing. I have it here: total EPF cut-backs between 1986-87 and 1994-95 will amount to the astronomical sum of $31.1 billion, that is reductions of $22.2 billion which should have been earmarked for healh care, and $8.9 billion for higher education. Should the provinces decide not to raise their taxes they will have to force hospitals to close a number of beds or perform fewer surgical operations to make up for these cut-backs, or again require students to pay higher tuition fees, work in overcrowded lecture halls and probably abandon their studies because they will be unable to afford tuition fees for courses for which they would otherwise be entitled to register. And yet it was on March 24, 1982 that the same Minister of Finance who is sponsoring this measure and first presented it to Parliament in his budget said, and I

quote: "Let us not make hospitals, universities and colleges a battleground between the federal government and the provincial governments. Let us solve those problems outside of that arena."

Madam Speaker, that is exactly what he is doing now. He has started a terrible debate between the provinces and the federal government. He is putting the future of our young people and the health of Canadians at risk. He is abdicating the role of the federal government, which is to redistribute, to help and to give each province the funds it needs, so that we can have a universal, non-profit health-care system open to all Canadians. There are the normal criteria for programs administered by the provinces, but one is absolutely essential, namely that a program is financed by all Canadians so that it is also available in those regions in this country which may not have enough resources to bear the costs of such a program.

This country will develop and will keep on being my Canada, our Canada, if he realizes that redistribution of our wealth, our joint assets, must continue and that it must be done by a federal government that does not abdicate its leadership role, be it in the financial sector, health care, education, constitutional or other matters. I must say that this government totally abdicates its responsibilities when it withdraws from shared-cost programs, when it decides to drop these programs and tell the provinces it is their constitutional responsibility and to get on with it! Madam Speaker, this attitude is very bad for our country. It is an attitude that should be condemned. And I again condemn the government for having introduced time allocation today, a measure that will prevent us, the Official Opposition, from informing Canadians of the serious and negative impact this legislation will have on the future of our country.

M. Jim Hawkes (Calgary West): Madam Speaker, the hon. member mentioned abdication, and I say it is the Liberal Party and the NDP who are doing the abdicating.

[*English*]

What are they abdicating? Any sense of responsibility for the affairs of this nation and for the people of this nation. They do it consistently time after time in the Chamber. They did it consistently year after year as a government with the aid and support of the New Democratic Party.

I remember being a brand new member in the House. I had the honour, on behalf of our party, to be the second speaker in a budget debate. The NDP moved a motion to get rid of that budget. The Liberals supported it. We were in a minority situation. The budget was defeated and we were gone.

What did they defeat? They defeated a budget that was acclaimed subsequently by analysts to be the fairest budget to the poor people of the nation in the decade of the seventies. Then they presume to stand in the Chamber again today and say they are standing up on behalf of ordinary Canadians from the provinces and regions.

The Liberal Party of Canada left us an absolute mess in the financial sense. We have stood up in the Chamber to present a simple piece of legislation that deals with the control of public expenditures, and that says this nation has gone on for far too long spending and borrowing. We have reached a point where 35 cents out of a revenue dollar simply pays interest on the public debt. Yet, members opposite stand up in the Chamber time after time and say: "That is not bad enough, let's make it worse. Let's spend, spend, spend. Don't raise taxes. Don't get any revenue. Just borrow, borrow, borrow."

Sooner or later $1 out of every $1 in revenue is going to have to pay the interest on the public debt. There will not be a penny for policing, there will not be a penny for the environment, and there will not be a penny for the senior citizens of the country, if we follow the advice which flows from across the Chamber to this side. The opposition says: "Don't cut your expenditures. Expand your expenditures. Don't raise revenue. Borrow, borrow, borrow". That is the mentality that sits on the other side of the Chamber.

They then have the gall to stand up in the Chamber to say that we are cutting off debate. That is the bunch—and I include both parties on the other side of the Chamber—which has refused time after time offers to extend debate in the Chamber, to meet later in the evening, to meet until midnight, or to meet on weekends to discuss a measure for an entire weekend. They say: "No, no, no, we want the House to shut down at the scheduled time. We want days and days of debate at second reading. This would give us the time to put our

prejudgments on the table. We could put our philosophy on the table. But we would make no advancement on the passage of legislation which is designed to help the people of the nation."

• (1220)

We should take a lesson from Parliaments with, perhaps, more history than we have yet to offer—Parliaments that have been around for hundreds of years.

In those Parliaments, the normal time of debate at second reading is between one and two hours. Why? Because they have learned through experience that, when a bill passes out of the House at second reading and into committee, they can tap the expertise which exists in a nation to look at whether or not the fine print is right for the nation. The examination of a piece of legislation has to be done with the help of people knowledgeable in the field, people with more knowledge than we as individual members of Parliament in most cases bring with us to the Chamber.

We get the help of witnesses in committee to look at the fine print. We have an opportunity to study a piece of legislation for days, weeks, or months, depending on its complexity, its importance, and the willingness of Canadians who have the knowledge base to assist us in the fine-tuning of that piece of legislation.

After that, the legislation should come back to the Chamber where it should move rather quickly through report stage and third reading. If there are amendments members want to propose at report stage, then they should be considered. Short speeches should be made about them. The House is either persuaded or not. We should then vote on them, and they should be disposed of.

The entire process for second reading, report stage and third reading, in terms of actual time in the Chamber, should be no more than a day in almost every case, or a day and a half in the unusual case. Yet what do we find on this particular piece of legislation? Even after we pass the motion for time allocation today, it will have taken three days simply for second reading stage in the Chamber. It will have cost a minimum of $3 million of public time and expense. That is $3 million to listen to the kind of drivel that people watching television are hearing in the Chamber today. That is only through second reading.

After second reading, it has to go through committee and then comes back to report and for third reading stage. How many more days will the jokers on the other side of the Chamber want to spend on it? How many more millions of dollars of taxpayers' funds will they want to spend standing in the Chamber spewing rhetoric that is not based on reality? We should not be voting on time allocation today, we should be voting on the bill.

It is very, very simple. Does the House believe that the time has come to cut public expenditures? Or, does the House believe that we should continue to expand public expenditures?

The only thing at issue here today is whether or not there is a single, responsible individual on the other side of this Chamber—even one member of the opposition—who is not under their Whip's control and who has the courage to stand up in this Chamber and vote for this measure. Some of them come from backgrounds from which they know that you cannot continue to expand public expenditures and to borrow money without creating massive inflation, massive unemployment, and massive problems for the senior citizens and others in the country.

That is the prescription that was in place, basically, from 1972 through until 1984, which those two parties followed. Their philosophy was: "Spend, spend, spend. Don't raise money. Borrow, borrow, borrow."

What did that philosophy lead to? It led to the worst unemployment rates this country has ever seen. It led to interest rates of up to 24 per cent and inflation rates that were absolutely killing for people on fixed incomes, the seniors of this country. It created enormous problems of spousal battering resulting from family tensions and monetary tensions. Divorce rates were rocketing out of sight because of the same kinds of tensions. It was an absolute disaster for the country.

There were twelve years of gradually increasing disaster. Many of us in the Chamber watched it. Those of us who were not in the Chamber then were watching it from outside. Now, they want to go back to it. They want to stall the Chamber from taking the sensible steps which need to be taken.

Looking down the hall to the other place, we see the legislation that is piling up. For example, there is a piece of legislation related to unemployment insurance that would enable us to provide training to Canadians. They need that training to be able to hold jobs, to make our industries more productive, and to make our economy better and our standard of living higher. Members opposite stalled it here for months and months, and then an unelected place down the hall stalls it for months and months. They then stand up here and say that we, on this side, are against democracy.

As you know, Madam Speaker, there was an election and we won it. We are responsible for our programs, but now they are trying to make us responsible for their obstinance, their obstructionism, and their waste of dollars in this Chamber. That is what they would like us to be responsible for. I say Canadians are too wise.

Canadians know that when they do not have the money in their family budgets they have to cut. Canadians know that it is the job of this Chamber, if it is going to act responsibly, to move quickly on those measures required to cut public expenditures and to get expenditures under control in the best interest of Canadians from one coast of the country to the other and from north to south. All Canadians will benefit from the passage of this legislation, an initiative whose time has come.

We have the obligation to get on with it, and to get on with it today as quickly as possible, and to get over this silly nonsense of obstructing things that are indeed in the national interest.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, I have just a few words to say concerning this particular motion before the House, and a few words concerning the address just given by the hon. member opposite.

There are two primary functions of this Chamber. One function is legislative. The other function is accountability of the Government of Canada to the people of Canada. Simply to say that there is only one function for a Parliament is to overlook perhaps the main function of legislatures throughout the world which have established their procedure under what we call the British parliamentary system.

The hon. member who just spoke went into some detail in putting forward the argument that other legislatures in other countries under the British parliamentary system have rules that mean, for example, that a motion must come to an end at the end of the sitting day. Instead of having this particular piece of legislation before the House for three days, as the hon. member said, it would go through in one day and then to a committee of the House. After careful examination in committee where the real work is done, it would then come back to the House.

However, what the hon. member is overlooking, of course, is that, although that may be one difference between the Parliament of Canada and the Parliament of Great Britain or Australia, there are other differences that make up for the loss of accountability that one finds in time limitation measures enshrined in the parliamentary rules of those legislatures. Most of the Parliaments that have built into their rules a time factor that a motion comes to an end at the end of the sitting day also have committees that originate their own terms of reference. In other words, the real accountability and the action in those Parliaments are in the committees. They are not in the Parliaments themselves.

• (1230)

You say that the legislature is separate from the Parliament. Even in Question Period notice is given of a question, but the committees originate their own terms of reference. They decide what they will do. That is where the accountability function has been established for those legislatures.

It is unfortunate that over the years the Parliament of Canada has lost that aspect of accountability. That is that the executive would be accountable to the people through the Parliament of Canada. That is the primary function of the Parliament of Canada. We have evolved our system to the point where if you examine the rules correctly, you find that no minister has to answer a question. If you examine the precedents of the Canadian parliamentary system, you find that no minister is held accountable for actions of his department or his officials. It is a far cry from Erskine May and Beauchesne to what we have today. To remove the accountability factor and to keep bringing in time allocation or closure on legislation removes from the Parliament of Canada its most important function.

The hon. member mentioned that three days of debate was long enough for second reading of this particular piece of legislation. I have to question that. The legislation that he was referring to puts a cap on and limits spending by the federal treasurer. I will use the transfers to the provinces for health and post-secondary education as an example. Once upon a time, Madam Speaker, we had what we called the Hospital Insurance and Diagnostic Care Act under which the Parliament of Canada had to pay to the provinces certain sums of money for the operations of hospitals. That changed a few years ago to block funding. The provinces do not necessarily have to spend that money on those particular operations but they certainly cannot afford in this day and age to have the Government of Canada saying: "Look, for the purposes of running hospitals and running your health care scheme in your province and in running your post-secondary institutions the Government of Canada is going to limit expenditures." It is not only that but it is even more serious when you consider what is actually taking place in those two areas. There were two areas that you would never touch if you had a choice and if you had a certain amount of money in the government treasury. The two areas that you should never touch should be health and post-secondary education. If there is an area that should be beyond the axe, it should be hospitals and health care.

In this day and age we have many new machines and inventions to be purchased and operated by our hospitals. Certain provinces in our nations do not have certain machines for health care and other provinces do have machines for health care. In certain provinces there are patients waiting in the corridors to receive medical treatment there instead of in hospital rooms. People wait in line for days and weeks and months for bypass surgery. When you have all of those things taking place, certainly the one area you would not dare touch—you would not think about it, you would not contemplate it and you would not dream about it—is health care. You would not touch that at all if you knew the facts and realized how important our hospitals are and how important our health care system is. That is what the Government of Canada has done. So when the hon. member says "Well, you know, it is going to take three days for second reading on this bill", the Canadian public is saying it should take three years.

The Parliament of Canada is supposed to hold the Government of Canada accountable for the people of Canada. That is the function of this Parliament. It is not to simply legislate. If that is the sole function of Parliament then let us get rid of the opposition parties totally. Let us have only one system brought in whereby the government will only introduce the legislation and no one will say anything about it at all.

An hon. member: They would like that.

Mr. Baker: On the other hand, look at the other thing the government is cutting back; post-secondary education.

Madam Speaker, you are telling me I only have one minute left. Let me say this in the one minute.

Post-secondary education. The present system that has evolved in this country is that only the rich can really afford to go to university and post-secondary education comfortably. Only the rich can afford it.

Today, this government has brought in a measure to charge for a student loan. Imagine not only paying the interest on a student loan which is hard enough to get now, but you pay a fee to get a loan, plus the interest. That is where the Government of Canada is heading.

The Government of Canada should be held accountable to the people and should not be bringing in closure. The people of Canada do not agree with this measure before us today.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I find it ironic that I have more opportunity to rise in this House to speak on closure and time allocation motions than I do on the substance of bills. I think that is very indicative of the attitude of the present government that their idea is to make sure that matters cannot be put fully before the public. I keep wondering why, particularly with a bill like this, the government does not want full debate on this type of legislation? It has a tremendous impact on the provinces and therefore on local communities.

When I look at it from my community of Surrey, I realize why the government would not want a full discussion of this bill. I am surprised that my hon. friend, the member for Surrey—White Rock, is not demanding an opportunity to discuss fully before this Parliament what impact this legislation will have on our municipality.

The premiers issued a statement at their annual conference stating that this unilateral changing of federal-provincial fiscal arrangements is detrimental, particularly for provinces like British Columbia where there is a growth in population. The impact is severe.

For municipalities with a very fast growth rate, the impact is overwhelming. Surrey has a dramatic lack of resources. It is faced with absorbing the fastest rate of growth in Canada. From 1979 to 1989 there was a 45 per cent increase in the population, which was 125,000 people. In the next 10 years the projected growth rate will be another 140,000 people. That is an 85 per cent growth increase in the number of people over the age of 70.

• (1240)

In terms of health care, those over 70 represent a seven times greater impact on hospital services than those aged 15 to 69. What we have is a crisis in health care in Surrey. The Surrey Memorial Hospital has 1.67 acute care beds per 1,000 population. If you take out those people who are stuck in acute care beds because there are not adequate long term care facilities, the elderly who should be in long term care seniors' beds, it is reduced to 1.3 beds per 1,000 population. That is compared with the B.C. provincial target of 3.3, the B.C. provincial average of 3.8 or the city of Vancouver, 6.4.

I am sure that the Tories do not want this information fully before the public. They do not want the public in Surrey to understand that through the curtailment of the federal-provincial funding, $7.3 billion is going to be removed. That is $250 million a year in payments to the province of British Columbia. What could Surrey do with an extra $250 million to meet its critical shortage of health care? The Tories want to limit debate. Certainly, they do not want a full discussion of the impact of the federal government pulling back from its responsibilities in health care.

The government keeps saying that the provinces can absorb it. That is all very nice, but in British Columbia we had a budget brought down last week that had a deficit of $650 million. Even the Socred governments could not cook the books to hide that deficit. It is there. There is not the ability for the provinces to simply pick up and bring in that money to make up the reduction from the health dollar by this government.

Of course, the government does not want a discussion. It does not want a discussion on the curtailment of the Canada Assistance Plan. Canada Assistance Plan money is designed to alleviate poverty and to do away with the causes of neglect and abuse. That is what it is designed to do, to provide services to deal with poverty, to provide services to do away with the causes of neglect and abuse. British Columbia, and particularly Surrey, are in a crisis in our social service programs.

This government has simply said that it will simply not continue to support any expansion, regardless of the fact that there is a dramatic shift in population, regardless of the fact that there is a growth in our municipalities. What is it curtailing? What does it they want to make sure the public does not understand? It wants to make sure it does not understand that this Tory government does not support programs any longer that provide services to abused children. It will curtail them.

In the last three to four years, there has been increased awareness of sexual abuse in this country. What is the Tory response? In provinces like British Columbia, it says: "You cannot expand your programs any more." The fact that the public is finally realizing that sexual abuse is a major problem in this country means nothing. It simply means that what they are doing is saying: "We will not allow for any expansion of services." They do not care what the impact is on children, and the life long damage that is caused by sexual abuse.

Prior to being elected, I worked in Vancouver with one of the street programs that tried to work with street prostitutes, young girls and boys aged 13 and 14 who are on the streets.

They are involved in drug abuse and prostitution. The government simply says that it does not want an expansion of those programs for them. In Surrey in the last two or three months articles in the paper have talked about a growing street problem in Surrey. These kids are now being called the sidewalk kids because they are not, as yet, into the heavy drug scene and the heavy street prostitution like the street kids.

There is a need for expanded services, youth programs, counselling programs and drug counselling programs to ensure that these sidewalk kids do not become the street

kids in two years and in five years the ones who are occupying our jails and our mental hospitals.

The government is saying that it is going to curtail any expenditures and any expansion of programs to meet these needs. No wonder the government wishes to cut off debate. No wonder the government wants to make sure that there is limited time in the House where the impact of its cut-backs can be discussed and debated. As one hon. member said, we are not talking about philosophies or opinions. We are talking about facts. There is a critical shortage of acute care beds and increasing problems with street kids.

Hon. members over there may laugh, but come out to a municipality like this where, every weekend, there are problems with juvenile girls hustling on the street, problems with drugs and the increased use of cocaine. If you guys think that is funny, I am sorry. I and my colleagues in the New Democratic Party do not think it is funny.

In closing, an hon. member opposite said that Canadians are wise and they will not be fooled. Well, Canadians are wise and that is why this government is down to 16 per cent in the polls. In British Columbia it is down to 12 per cent in the polls.

Ms. Mitchell: And going down, down, down.

Mr. Howard Crosby (Parliamentary Secretary to President of the Treasury Board): Madam Speaker, I want to take the opportunity to join in this debate in the hope that I can provide some semblance of reasonableness and common sense, in view of the disinformation, misinformation and delusionary thinking expended in this House by members of the opposition, both in the Liberal party and the New Democratic Party.

The issue is very simple. We are talking about time allocation on a matter before the House of Commons—

Mr. Gauthier: Guillotined! Shutting down the House!

Mr. Crosby: Why would we do a thing like that? Well, let me tell you very briefly why. We are talking about Bill C-69 which proposes to enact restraints of government expenditures. Did this happen yesterday, the day before, or in the last week or two?

Mr. Gauthier: After an hour and 20 minutes of debate!

Mr. Crosby: No, Madam Speaker, this was brought before the House of Commons in full dress on February 20, 1990, as part of the budget of the Minister of Finance. He made all of these issues very clear and our system provides for six days of budget debate, three votes, three opportunities to express an opinion on the measures in the budget, on the whole of the budget, and this House voted affirmatively on all occasions to pass the budget. So, what we are talking about is a *fait accompli*.

The government has already made it clear—

Mr. Gauthier: Any means justifies the end.

Mr. Crosby: —that it has embarked upon a program of expenditure restraint. The program has been outlined in the budget very carefully and prudently, and this Bill C-69 simply implements those measures. I am sure people are saying that if that is the case, if this is part of the budget, if it has already been decided by the government that this is the way we must control expenditures as part of government policy, why are we bothering to debate this minor aspect of the budget implementation?

I can tell the people of Canada why we are doing that. It is because the Opposition have embarked upon a program of delay, of harassment of government measures and so on. why? Simply to prevent the government from putting through its program.

• (1250)

I think they are afraid that the strong medicine that the government has recommended will work, that the economy will improve, that production will increase and grow, that jobs will be provided. The opposition does not want that to happen, and let me tell you why. If they really thought these measures were so harmful, if they really thought they were going to profit in terms of public popularity by the dangers of government measures, they would allow the measures to pass. Then the public would see the action that results.

Instead, knowing that there is a definite commitment to these measures, the opposition harasses the government and causes inappropriate if not improper delays in this House of Commons because they do not want the government program to be implemented, knowing it will work.

Mr. Karpoff: What about child abuse? What about child prostitution? What about health care?

Mr. Crosby: It is not arm-chair socialism; it is not deluded liberalism; it is hard-nosed economic fact. The government deals day after day with those hard-nosed economic facts.

Let me tell the member from British Columbia that there will not be any social program for street children; there will not be any programs to help children in the streets of Canada; there will not be any hospital care—

Mr. Karpoff: Sixty per cent of the population can't get health care.

Mr. Crosby: —there will not be any educational programs unless we balance our budget and make our revenues concur with our expenditures. The basis for social programs is a sound economy, a national treasury that has sufficient money to pay for the programs that his party claims to want.

They are destroying the foundation of those social programs by standing in this House and prevailing against budgetary measures on the revenue side, on the expenditure reduction side, that will ensure the continuation of the social programs that we all need and Canadians have come to respect.

Mr. Gauthier: You are mixing carrots and oranges.

Mr. Crosby: Madam Speaker, I want to expose the hypocrisy of opposing government measures to raise revenues and restrain expenditures because that is what will support social programs now and well into the future.

Let me talk a bit about the delays. We already have documented in the House of Commons in the word of the hon. member for Thunder Bay—Atikokan of the New Democratic Party, that he and his party have indeed embarked upon a program of delay. In fact on March 23, 1990, when he was defending this very action he said on page 9683 of *Hansard*:

> You will find that in no way has the New Democratic caucus broken any rules of this Chamber. We have used the rules in order to point out our objections to a specific piece of government legislation, the goods and services tax. We have been thwarted in some ways in our attempts to frustrate the government by lack of assistance from the Official Opposition.

Mr. Karpoff: Nobody wants the GST!

Mr. Crosby: Madam Speaker, the GST has been brought to the House of Commons as a financial measure to ensure the solvency of the government of Canada, to ensure that the national treasury has sufficient funds, not this year but for years in the future, to provide social programs, and members of the opposition say: "They are thwarting that measure." They do not want a balanced budget. They want expenditures to exceed revenues.

How can a member of the House of Commons possibly desire that end result? It is simple mathematics. If your revenues are not equal to your expenditures you incur a deficit. If you do not pay your deficit the national debt rises.

Mr. Gauthier: Because you are lousy managers!

Mr. Crosby: If you have to service the national debt you do not have money for social programs. Now how can a member honestly oppose revenue increases and expenditure reductions when he knows the ultimate result of that opposition is destruction of the social programs which those revenues support?

Let me give a concrete example of that. In 1984 when the present government of Canada took office the national debt was $200 billion. It rose in four years to $350 billion, a difference of $150 billion. Eighty per cent of that increase was compounded interest. In other words it bought Canadians nothing; it just satisfied the creditors of the government. Billions of dollars were literally thrown away, not available for street children, not there to help education, not there to provide medical services because we were paying it out in interest. Yet members opposite say, "continue that policy, carry on with that policy, pile up deficits".

As a result of the actions of the government over the last four years the expenditure program was reduced by $25 billion on an annual basis. In 1984 the expenditures of the Liberal government of Canada exceeded revenues by $16 billion. This fiscal year the revenues will exceed expenditures by $9 billion, which is an exchange of $25 billion. If we add that amount to the current deficit, already too high at $28.5 billion, it would be in an astronomical deficit figure of over $50 billion. What would that do to Canada? What would that do to social programs? What would that do to medical care and what would that do to post-secondary education? Yet that is what the members opposite advocate.

I am surprised that the people of Canada are taken in by this obvious disinformation by opposition members to people across Canada. Why are they taking it in? It has spread to other organizations like the Canadian Labour Congress which has 2.2 million members across Canada who are dependent on a healthy economy for their livelihood. It has joined the New Democratic Party in militating against financial responsibility at the national level. They are going to destroy the jobs of their members and sooner or later the members of the Canadian Labour Congress are going to see this point and ask what their leaders are doing to them. They are undermining their future.

If there is not a strong national economy there will be no jobs for Canadians whether they are trade unionists or otherwise. The only basis for a healthy economy is a balanced national budget and that is undeniable.

That is why on February 20, 1990, the Minister of Finance introduced his budget. That is why we took the measures that we feel are necessary with respect to transfer payments.

For example, Established Programs Financing is a program whereby the Government of Canada supports education and health care across Canada for all Canadians. The expenditures rose 6.3 per cent. What happens when expenditures increase by 6.3 per cent on an annual basis and the government of Canada is keeping its own expenditures increase at 3 per cent?

That is a great sacrifice, of course, to public servants and to all Canadians through the tax system because Canadians are paying more money for this financial responsibility. Public servants are receiving less in increases and that is their sacrifice.

The New Democratic Party does not want any sacrifice, just to carry on with the programs that have been enforced. The former Liberal government established a policy of buying votes with people's money and they do not want it to stop. They say that we do not need these measures.

Surely their conscience is telling them otherwise and surely they recognize that the rhetoric they preach in this House of Commons is destructive to the country. What does it take to bring them to their senses, if dollar bills on a chart do not tell Canadians exactly where we stand? Do they really want us to go down the road with Brazil? Do they really want us to have 200 per cent inflation like Poland? Is that what they want for Canadians?

I tell members to be honest in the House of Commons and with the people of Canada. Join with us in letting the people of Canada know that we have a financial problem in 1990 and we can solve it. We can only solve it with sacrifice by Canadians in terms of revenues, contributions and returns of expenditure reduction. There is no other answer.

I ask members of Parliament in the opposition to come clean and admit it. Let us get on with the work of governing Canada for the benefit of all Canadians and our social programs.

Mr. Sid Parker (Kootenay East): Madam Speaker, I realize that we do not have much time left but I am very pleased to be able to get up and speak on time allocation on Bill—

The Acting Speaker (Mrs. Champagne): If there is consent I would call it one o'clock and then allow the hon. member to start fresh after Question Period.

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Order! It being one o'clock, I do now leave the chair until two o'clock p.m.

At one o'clock, the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

EXTERNAL AFFAIRS

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, when opportunity knocks, hesitation should not be our response.

What then should we make of the Tory government's navel gazing as Europe prepares for 1992?

The Tory putting of all eggs in the U.S.A. free trade agreement basket, their inability to obtain economic, let alone constitutional, co-operation among the provinces and their fear of initiating a European policy without

prior American or NATO consent is leading to a do nothing approach to Canadian–European relations.

Meanwhile, Europe's corporations are restructuring for growth. Pan–European investment is increasing sharply while Canadian banks languish in the stupor of indifference toward investment in Europe.

Almost perversely, the Tories' budgeted for a $1.9 million cut in estimates for international economic trade and aid for 1990.

Ironically, while Canadian corporations' expenditures on mergers and acquisitions in the European Community dropped by more than 75 per cent from $1.05 billion U.S. to $165 million in 1988–89, American corporations have doubled such acquisitions from $6.5 billion to $12.9 billion in the same period.

Why are we not following that lead? Are the Tories once again serving the dictates of their American masters?

* * *

THE CONSTITUTION

Mr. Peter L. McCreath (South Shore): Mr. Speaker, Premier John Buchanan's offhand remark last week that joining the U.S. might be the best of a sad set of options for maritimers in the event of a separate Quebec set off a storm of predictable protests. Opposition Leader Vince McLean responded in a predictably partisan and hysterical manner.

In truth, Premier Buchanan has done Nova Scotians a useful service. As an MP travelling back and forth between Ottawa and Nova Scotia I find myself living two different solitudes. To date, Nova Scotians have not tuned in to the reality that things have changed in Quebec.

There is a new economic confidence, and on the part of many, there is a sense that the constitutional commitments of 1980 and 1982 were only fulfilled with the accord at Lake Meech. Now, that too is being rejected by English Canadians led in no small way by two Atlantic premiers.

Separatist strength and sentiment in Quebec cannot be dismissed as in the past. Should it ever come to fulfilment, the consequences for maritimers are too horrendous even to contemplate. The maritimes should tune into the true Meech Lake debate. For us, there is simply too much at stake.

* * *

AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, rural Canada is in a state of severe crisis.

In western Canada seeding is just beginning, and in two weeks it will be in full swing. Not only are thousands of farmers facing the loss of their farms, but many are facing the prospect of being unable to put seed in the ground. Yet to date, there is nothing in place to assist farmers, and ensure that their crop will be planted.

In my riding of Moose Jaw—Lake Centre, like elsewhere, there are many farmers in severe trouble. One of them is Arnie Taylor. Mr. Taylor lives near Kenaston and for almost 20 years has been operating a mixed family farm. However, this year the banks have refused to lend him any money to put in his crop.

Fortunately for Mr. Taylor, the Saskatchewan community spirit still exists and a local self–help group made up of clergy, farmers and business people has been formed to, among other things, ensure that all crops in the Davidson–Craik area are planted and harvested.

Mr. Taylor is willing to take on his share of the problem, but like thousands of other rural Canadians, he expects the government to do its share as well. It is time the federal government took that responsibility seriously.

[*Translation*]

MOUVEMENT DESJARDINS

Mr. Charles DeBlois (Montmorency—Orléans): Mr. Speaker, there has been a lot of talk in the current debate on Meech Lake about the distinct identity of Quebec and about Quebec as a distinct society.

The *Mouvement Desjardins*, an economic and social force that has been one of the principal tools of Quebec's economic development and the take–over of Quebec interests by Quebecers, is a good illustration of what is meant by Quebec's distinct identity. Over the years, with the savings of its Quebec members, the co–opera-

tive movement has managed to rank sixth among Canada's financial institutions.

Today I want to pay tribute to the President of the *Mouvement Desjardins*, Mr. Claude Béland, a friend of Meech Lake, who has the courage to talk to Quebecers and Canadians about the present constitutional climate and what the failure of Meech Lake would do to the future of Canada and Quebec.

Mr. Speaker, I also want to draw the attention of the House to the thirty or so directors of credit unions in the greater Quebec City region we welcome today in the House of Commons and who, with their president, embody the pride and courage of the people of Quebec.

Some hon. members: Hear, hear!

* * *

[*English*]

CONSUMERS WEEK

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, this is consumers week across Canada. I would like to urge all Canadians to take advantage of some of the many activities planned across the country.

The goal of this public awareness campaign is to help Canadians to become better informed consumers. This is an admirable goal, but I would remind the government that what consumers really need is lower interest rates and a fair and just system of taxation. Consumer spending power is being rapidly eroded by Conservative policies and no number of public information campaigns will change this.

What Canadian consumers should be getting from their government is a commitment to protect their interests by lowering the bank rate, scrapping the GST and doing something about the looming recession which may soon be upon us.

It is indeed important that consumers be informed, but it is equally important that this government be informed.

* * *

ARMENIA

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, last Sunday I attended a special service in Scarborough with over 1,000 Canadian Armenians to remember the brutal genocide which began 75 years ago today in which over one and a half million Armenians were massacred in the Ottoman Turkish empire.

There were several survivors who escaped the genocide at Sunday service. We owe it to these survivors and we owe it to those who lost their lives to officially recognize that a genocide did indeed occur.

Can you imagine the Jewish people of this world being told that the Holocaust of the Second World War during which six million Jews lost their lives did not occur? Can you imagine how soul-destroying this would be to Jews? The denial of the genocide for 75 years has been a soul-wrenching experience for Armenians around the world. Approximately five years ago a United Nations subcommittee report refers to the Ottoman massacre of Armenians.

In closing, it is time for Canada and other democratic countries around the world who value human rights to set the record straight and recognize the horrific genocide of one and a half million Armenians which began in 1915.

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MOZAMBIQUE

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I rise today to draw attention to the presence in Canada of Francisco Nota Moises, a prominent member of the right wing Mozambican organization RENAMO. Originally sponsored by South Africa, RENAMO is now financed by funds raised by Mr. Nota Moises from U.S. groups.

Granted refugee status in 1987, Mr. Moises has been actively soliciting funds from his Victoria residence to support an organization which has killed over 100,000 people, destroyed schools and hospitals and contributed to the creation of some three million refugees.

The brutality of RENAMO is legendary. The acts of inhuman torture and ritual assassination defy the imagination of civilized individuals. Yet, an active proponent of these atrocities has been admitted to Canada and remains here today with the tacit consent of the Government of Canada.

Efforts to have Mr. Moises' status in Canada reviewed has met with obstruction. It is appalling that an individual who is actively promoting the systematic and barbaric

destruction of innocent lives can be allowed to continue to reside in this country.

We are supporting development in Mozambique with much needed assistance while we house a major contributor to the agony we are trying to relieve.

* * *

ARMENIA

Ms. Barbara Greene (Don Valley North): Mr. Speaker, today is the seventy-fifth anniversary of the Armenian genocide. From 1915 to 1922 more than 1.5 million Armenians, half the population of Armenia, died in pogroms whose efficiency Hitler imitated.

Throughout history, and even today, Armenians have been subjected to racially motivated violence and murder. As part of their heritage language and cultural program, students are taught the importance of remembering and fighting for justice, freedom and democracy in Armenia and around the world.

In metropolitan Toronto and throughout Canada people have learned to appreciate the courage in adversity and leadership and industry of Armenians as well as the tragic human suffering and waste caused by racism.

* * *

• (1410)

[*Translation*]

ARMENIA

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, I know very well the Canadian Armenian community. For more than 26 years, relations of friendship and mutual understanding based on our common features have developed between that community and the rest of Canada.

I can assure you of the great loyalty of the Armenian community in our institutions in Montreal, Quebec, and in Canada as a whole. Today is a special day because we mark the 75th anniversary of the genocide of 1915, a day which reminds us of very painfull events.

Turkey should admit its responsibility in that genocide, just as the current leader of the Soviet Union recognised the role played by his country in Poland and in other similar tragedies.

As always, we sympathize with our Quebec and Canadian friends of Armenian origin and we wish them a better future, while hoping that soon, Canada will submit the matter to the United Nations. *Shenorhagalyem.*

* * *

[*English*]

NATIONAL VOLUNTEER WEEK

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, this past Sunday was International Earth Day. We witnessed people all over the world demonstrating their commitment and concern for the fate of our earth. People participated in international events and they did so on a volunteer basis. They cleaned parks, sorted garbage, planted trees and did whatever it took to demonstrate their desire to be part of the solution.

This week is National Volunteer Week. It is indeed a good time to recognize the good work many volunteers contribute towards improving our environment. We encourage them for we need their help. We applaud them for they are the backbone of our communities.

* * *

CORPORATE TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the corporate welfare bum of the week award is back. This week's three nominees are Magna International, which got a tax credit of $8.2 million on profits of $19 million in 1988. The second nominee is PWA, which did not pay any tax on profits of $30 million in 1988. However, it did find $250 million to buy Wardair in January, 1989. The third nominee is American Barrick Resources, which paid no taxes in 1988 on a net income of $30 million. And the winner is: American Barrick Resources.

While it did not pay a single penny of federal income taxes, this large corporation did have $4.6 million to pay its chief executive officer, Mr. P. Munk. Mr. Munk obviously earned this huge salary for his accounting prowess and for helping American Barrick Resources to be the corporate welfare bum of the week.

PETROCHEMICAL INDUSTRY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, petrochemical companies in Sarnia—Lambton continue to undertake initiatives which illustrate that the environment is rightfully becoming a number one priority.

In February, Nova Petrochemicals announced two voluntary improvements in its local manufacturing facility to improve its environmental performance. A new environmentally-friendly cooling water treatment process was initiated which virtually eliminates low-level discharges of chromium and zinc from its final effluent.

Also modifications to the flare stack have facilitated more efficient use of steam in the safety system and significantly reducing the amount of smoke emissions during flaring activities.

I applaud these efforts by Nova in its pursuit of environmental responsibility and consciousness. I strongly encourage other interests, private and public, to demonstrate a comparable commitment to our most valuable finite resource, our environment.

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FORESTRY

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, the financial challenges facing resource-based industries today are appalling and almost insurmountable. One of the industries that is suffering the most as a result of the policies of this government is the forest industry.

The sad part is that today we have a government that is more interested in listening to its own rhetoric than it is in listening to small business and the people of Canada. The forest industry is suffering because of the 15 per cent export tax on softwood lumber. It is suffering because of the increased value of the Canadian dollar in relation to the American dollar. The forest industry, like many other businesses and consumers, is suffering because of high interest rates.

I call upon the government, and Canadians call upon the government, to get rid of the 15 per cent export tax on softwood lumber and to take growing interest rates and the value of our dollar seriously in order to put what once was a thriving industry back on its feet again. Failure to do so demonstrates in realistic terms that we have a heartless and inhumane government.

* * *

[*Translation*]

NATIONAL CONSUMERS WEEK

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, National Consumers Week is a way to ensure that the various market interests— consumers, companies and governments—become fully aware of its operations and their respective responsibilities. Indeed Quebec has given us an outstanding example of business and government co-operation designed to provide consumers with up-to-date information. The Montreal regional office of Consumer and Corporate Affairs has prepared a food labelling guide. With the support of Laval University and a number of private sector interests, Mr. Pierre Blais, Minister of Consumer and Corporate Affairs and member for Bellechasse, has launched today, with participating companies, a campaign to distribute about one million copies of this guide.

Mr. Speaker, this is just one example of the way consumers, companies and the government join forces to promote a more active market place.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister of Finance.

Yesterday, John Allan, Chairman of Stelco, one of Canada's largest manufacturing firms, announced that his company is cutting 800 jobs across Canada. Mr. Allan said the impact of the Bank of Canada's high interest rate, high dollar policy is, and I quote, "adversely affecting our domestic markets for steel, while making it more difficult for the steel industry and its customers to export their products".

In light of this statement by one of Canada's key business leaders, is it not time for the government and the Bank of Canada to stop this high interest rate, high dollar policy which is so damaging to our basic manufac-

turing industries and the people working in them? How many more thousands of jobs will be lost before the government comes to its senses and stops this policy of high dollar and high interest rates?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I take no comfort in the announcements that the Chairman of Stelco made yesterday. I do not like to see people laid off. I do not like to see companies having difficulties doing business.

What I do understand is that, if we ignore these problems, companies like Stelco are going to have a much more difficult time in the future as they did in 1981–82. At that time the government ignored the seriousness of the inflation problem. The problem got out of control and led to the very serious difficulties that Stelco and others experienced at that time. That was a very tough lesson for us all to learn. We have learned from that lesson, and we are going to avoid that problem this time.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, obviously Mr. Allan does not agree with the minister. Yesterday, Mr. Allan, president of one of the country's major steel companies, also said, and I quote: "If the present monetary policy goes on for any great length of time, the tradeable goods-producing element of the economy will suffer very serious and permanent harm".

I therefore want to ask the minister why he insists on maintaining this monetary policy of high interest rates and a high Canadian dollar, when it proves to be a real threat to the health of our economy. Why?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I guess what the hon. member is asking me to do is to engineer a drop in interest rates. If we had a reduction in interest rates at this time, with the inflationary wage and price pressures we are facing today, that will lead to higher inflation down the road. That is the very thing that Mr. Allan is concerned about, which is, according to the quote of the hon. member, "a more permanent loss in their competitive position". We want to avoid that more permanent loss in the competitive position of Canadian industry by getting the inflationary problems under control now, so that we avoid the runaway inflation that we had when inflation was not 5.5 per cent in the 1980–81 period. It was 13 per cent. That 13 per cent led to interest rates of 20 per cent to 25 per cent.

• (1420)

Surely, this is something we should be trying to avoid. We are doing everything we can to avoid this problem right now with this government's policy.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, if the minister will not listen to me or Mr. Allan, one of the leading business people in this country, perhaps he will listen to his own colleague, a senior member of his caucus, the member for Mississauga South and Chairman of the Finance Committee of the House of Commons. The chairman said yesterday, and I quote: "I think the monetary policy is totally wrong." I repeat the quote: "I think the monetary policy is totally wrong."

If the minister does not want to listen to me and he does not want to listen to the leading business people in this country, why will he not at least listen to the Conservative Chairman of the Finance Committee and drop his high dollar, high interest rate policy, about which even that chairman says: "is totally wrong"? Why not?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if my friend is saying that the member from Mississauga South is so correct in everything he says, why does he not accept the position that he has taken with the GST? My friend from Mississauga South said that is exactly what we should be doing as a government.

I listened to these self-righteous statements on the part of the member from Windsor West where he says we must be doing this. I ask him to consider back to what he said, as I reminded him again yesterday, prior to the 1980 election. He was put on the spot by Morton Shulman. He asked: "If interest rates go up after the election, what will you do? Will you resign?" The hon. member said that, yes, he would resign.

Mr. Shulman asked him a second time: "Are you sure you would resign?" The Hon. Member is shaking his head. I have the TV clip and I can show it to him sometime. Mr. Shulman asked: "Would you resign?" a second time. A second time, he said: "Yes." What happened when interest rates went to 20 per cent and 25 per cent? This self-righteous member sat firmly in his place, right there in the House. He did not resign.

STATUS OF WOMEN

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is to the President of the Treasury Board.

Yesterday's report, *Beneath the Veneer*, shows the inequities imposed upon women in the Public Service of Canada. The Canadian International Development Agency is a world-recognized authority in programs eliminating just such discrimination. Can the minister tell us when he will implement CIDA's Social and Gender Sensitization Program in Canada's own public service?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, first, I would like once again to thank very much Jean Edmonds, Edna Mackenzie and Jocelyne Côté-O'Hara for having done a very good piece of work in producing the report.

The report is the first of its kind, giving us very detailed documentation about some of the problems that exist and that we suspected existed when we appointed the task force. It defines these problems.

I can tell my colleague that the report is being acted on as of today. We are not going to hold up action on this report. We are making sure that senior managers are aware of the report, the recommendations and the problems. We will be giving a comprehensive response in a very short time.

Ms. Mary Clancy (Halifax): It all sounds very pretty, Mr. Speaker, but CIDA has had something very close to the answer since at least 1986. It is a program that has been successfully implemented in India, in Nepal and in Australia. If it works in Australia, it should work here. There is even a handbook to implement this program, written at the Côté International Institute at the Prime Minister's own alma mater.

When is the minister going to use the solution at hand, and use a Canadian program to benefit Canadian women?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, I would like to emphasize the fact that this Task Force on Barriers to Women in the Public Service followed upon a number of initiatives taken by the government to improve career opportunities for women in the federal public service and to dismantle barriers.

I would like to say that among positions directly controlled by the government—for example, in the deputy minister range—we increased the percentage of women in that group from 8.5 per cent in 1985 to 16.7 per cent. For the Governor in Council appointments, the rate of increase was from 21.8 per cent to 36.3 per cent. In the senior management category, from 1984 to 1989, we went from 6.7 per cent to 13.1 per cent. We will continue. We have been working on this issue for the last five years and we have been doing very well.

* * *

THE ECONOMY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of Finance who seems more intent on giving a history lesson than trying to explain to Canadians what is happening in 1990.

There are certain realities that the minister is going to have to face about his high interest rate policy. One of those realities is that we have lost 71,000 jobs in the manufacturing sector since November, 1988. Another one is that, with the cut-backs of 800 jobs in Stelco, business leaders increasingly are saying that the high interest rates are destroying business in the country.

This minister cannot deny that interest rates have gone up 20 times since the last election and that his interest rate policy is driving Canadian business into the ground. It is driving businesses into bankruptcy and putting workers on the unemployment line. Why does the minister not address his high interest rate policy and admit that it is not working?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do point out to the hon. member that in the last three months employment is up by 64,000. That is the increase for the total in the economy. My hon. friend can be selective about her statistics, but those are the total economy statistics.

She asks why I am giving a history lesson. The only point I am making is that it is important that we learn from history. It is important that we look at what happened in comparable periods in the past, learn from the mistakes that were made at that time—and there were a lot of mistakes—and try to avoid making those mistakes now.

My hon. friend says the anti-inflation policy is not working. I ask her to consider what the inflation rate would be if we had kept interest rates down and we had a lower level for the Canadian dollar. We would have inflation up in the 6.5 per cent to 7 per cent, or maybe higher, range. That is what we are trying to avoid with the policies that we are following.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, Canadians have no faith in the projections of the government, a government that projected an 11 per cent interest rate and had a budget based on that 11 per cent interest rate which had nothing to do with reality.

Last week, the Consumer Price Index indicated that inflation is increasing at least partly because of high housing costs related to the high interest rates. It is obvious that the government's high interest rate policy is increasing inflation, not decreasing inflation.

I ask the minister again: Will he admit that this high interest rate policy is, in fact, increasing inflation and not decreasing it?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if we go back to projections, I remind her of the projections made by her predecessor in 1984 and 1985. When we brought in our economic policy at that time, the hon. member for Oshawa, Ed Broadbent, said we were going to see 150,000 to 200,000 job losses. In fact, it was quite the reverse. We saw 150,000 to 200,000 jobs gained as a result of the policies we had been following.

• (1430)

My hon. friend talks about housing starts. Housing starts over all in the country today are about 220,000, around the level they have been at for the last four or five years. We still have a good degree of strength in different parts of the economy.

My hon. friend asks whether the policy is working. If we had not followed the policy that we are following today, we most surely would have higher levels of inflation. It was those higher levels of inflation back in the 1970s which brought the 20 and 25 per cent interest rates at that time.

Is that what my hon. friend is calling for? Does she want to see 20 and 25 per cent interest rates again? That is what we are going to avoid as a government.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the Minister of Finance. Canadians want to see some responsible economic management. Ask farmers, ask Canadian business people, ask consumers about the rate of interest and ask them what their faith is in this minister's policies.

[*Translation*]

The Minister of Finance is aware that every time interest rates go up, the deficit goes up as well.

With the kind of interest rates we have today, the deficit will increase by three and half billion dollars next year.

This country needs full employment, a lower deficit, a lower rate of inflation and social services. Will the minister finally admit that his interest rate policy defeats all those objectives?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my hon. friend says she wants higher employment and lower inflation. I do not know how she is going to get that lower inflation if she wants lower interest rates. Lower interest rates are designed to increase inflation. That is the effect.

Ms. McLaughlin: So is the GST.

Mr. Wilson (Etobicoke Centre): Now she is talking about the GST. Let me ask her this question. Why is it that the New Democratic Party is against the GST when it will lower the cost of doing business for the farmers in this country by $240 million? It will lower their cost of doing business and lower the cost of food that they will be able to sell to the wholesalers and the supermarkets.

This is what will bring about lower inflation as we get the GST into place. For the life of me, I do not understand why the NDP is against the farmers of this country.

[*Translation*]

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the Secretary of State and concerns a decision by the Government of Saskatchewan not to proceed with the federal-provincial agreement. This is a definite step backward for minority education, and I would like to ask the minister, considering the terms of the federal-provincial agreement that was signed, with $26 million over ten years, and the

government's decision not to proceed with the implementation of minority management and control of French schools in Saskatchewan, what he intends to do to help the minority in Saskatchewan.

I asked him a simple and specific question. An answer would be appreciated.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): I regret that the Government of Saskatchewan has decided not to proceed during this session. Last night I spoke to the Minister, Mr. Meiklejohn, and he again promised that his government would pursue the plan without further debate as soon as possible. And you also have this government's firm commitment, with the agreement that is in place, that it will continue to work actively for our Canadian family, the entire Canadian family.

We have here an official language community in a minority situation which must have a chance to develop and mature.

[*English*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, we are talking here about a Supreme Court decision which ruled recently that language minority groups in this country have the right to control and manage their own schools.

Instead of talking to the minister of education, will the minister call the premier of that province and ask him to proceed with the agreed implementation of that program? If he will not proceed, what will the Government of Canada do to help minorities in this country get access to those constitutional rights which are theirs?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I indicated to the minister last night that while I regret his decision, I understand some of the problems he explained to me which are legislative and perhaps constitutional.

I have indicated that we would offer any assistance possible in helping expedite the matter and we look forward to them continuing on their full commitment to allow the governance and administration of the French language schools by the community itself. I believe that that commitment will be carried forward.

* * *

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Prime Minister. The Minister of the Environment has said that he will not issue a stop-work order against the Oldman River dam even though the court cancelled its federal permit and ordered two federal ministers to carry out environmental assessments. The Minister of Transport is failing to enforce the Navigable Waters Act.

How can the Prime Minister let three of his ministers neglect their responsibilities and ignore the orders of the court?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I never said yesterday that there will be no stop-work order. I said that I will be pleased to announce today that this government has the intention to comply with the judgment so as to strike a full panel review of the whole dam project.

Some hon. members: Hear, hear!

Mr. Bouchard (Lac-Saint-Jean): Would the Speaker think it might be helpful to spell the word?

We are in the process of selecting the people who will be appointed.

As far as the stop-work order is concerned, I have the transcript of my answer yesterday and I said that there are safety questions to be raised in relation to the completion of the work. We are being told that work must be completed to achieve a safety point. We do not know what exactly the safety point is. We are waiting for a report to determine that. This is the reason we have not yet made any decision in relation to the stop-work order.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, since we cannot get any joint response on the responsibility of the government, my second question is directed to the Minister of Transport.

The permit issued under the Navigable Waters Act that allows the construction of this dam, which is a necessary legal requirement for the dam to be in progress, has been cancelled by the courts.

It is now six months since that decision was made. Why is he not stopping progress on that work which is proceeding illegally?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, safety may not mean much to somebody sitting in the middle of Ottawa, but it certainly means a lot to the people of Alberta.

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STATUS OF WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, yesterday the task force report on barriers to women in the Public Service was released. It documented the incredible barriers women face when they are trying to escape the pink ghetto.

Women who were sexually harassed were told that they had no sense of humour or they were given negative appraisals. A woman was told by her boss that if he were her husband he would beat her black and blue. A systems analyst was told: "You're not an engineer, you're just a stupid woman". A woman who had run her own electronics shop was asked in an interview: "Do power or hand tools scare you?"

My question is for the Minister responsible for the Status of Women. When will her government show the leadership that is necessary to change this situation? What is this government planning to do to eliminate these barriers to women in the public system and when will it do it?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, first of all, I would like to extend my congratulations to the authors of this report, Jean Edmonds, Edna Mackenzie and Jocelyne Coté-O'Hara, and also to the Hon. Pat Carney who originally initiated the report and was involved in the writing of it.

Some hon. members: Hear, hear!

Mrs. Collins: I know that my hon. colleague will have read this report. I would really like to recommend it to all members of this House. This is not just an ordinary government report. This is a report that is rich in the experience of women and some of the difficulties which they face in this Public Service.

• (1440)

The other issue which is extremely interesting in this report is that it points out that where there is commitment, action can follow. It specifically points out that where there has been political commitment, action has followed. Where the Prime Minister has made that commitment we have seen a three-fold increase in the number of women appointed through Order in Council. Where the Secretary of State for External Affairs—

Some hon. members: Time.

Some hon. members: Order.

Mr. Speaker: The hon. member for New Westminster—Burnaby.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, we all recognize that it gives all the statistics, statistics we have actually known about before. This is not the first report. There was a report done by Nicole Morgan, "The Equality Game" of 1988 which documents many of the same problems. Specifically, both of these studies recommend prorated benefits for part-time public employees. Eighty-three per cent of the part-timers are women.

The government has had years to study this problem.

Mr. Speaker: I would ask the hon. member to put her question.

Ms. Black: When will the government commit to eliminating these barriers that women face in the Public Service? When will the government show leadership?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, in terms of showing leadership, since this government came into power we have started implementing employment equity programs throughout government. We implemented equal pay for work of equal value. We increased the number of women at the highest levels in the Public Service by doubling the percentage of women in its management ranks. In addition, we have more than doubled the number of women appointed to federal boards, agencies and commissions.

My predecessor, the Hon. Pat Carney, during the course of the activity, appointed this task force to go still further to allow us the means to have all the data to reach some of the barriers that were more subtle. That is

exactly what the report is allowing us to do today. We will continue the task that we started accomplishing in 1984.

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FISHERIES

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Minister of Fisheries and Oceans. Last Friday in Halifax he told the Fisheries Council of Canada that he did not want the Atlantic fishery to be used as a means of qualifying for unemployment insurance benefits. Yet in February his government worked out a deal with National Sea Products deliberately designed to give fish plant workers in Canso just enough weeks of work to qualify for UI benefits. That was this government's rescue plan for a fishing community that for years has provided stable, year-round jobs for its workers.

How does this minister justify the gross inconsistency between his government's actions and his rhetoric of last Friday?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, if that Liberal member of Parliament wants to take a shot at the government for trying to help people in Canso who have lost their jobs, he can do it. But go out there and brag about standing up in the House and saying that we should not be helping the people of Canso. Do it.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the people of Canso are still waiting for the help which this government has not provided.

I would like to refer the minister to the testimony earlier in April of the former president of National Sea Products, Mr. Gordon Cummings, before the fisheries committee of the Senate. Referring to the Canso plant Mr. Cummings said, and I quote:

> Canso in particular is a hell of a good plant. It has a good labour force and a high fishing plant and all of the things you could say that are good and positive about a plant. Canso is a fine plant—the people of Canso did nothing wrong.

Yet, this government, in the name of making the fishing industry viable, is presiding over the closure of a community and blaming the victims for their situation.

Mr. Speaker: Would the hon. member put his question.

Mr. LeBlanc (Cape Breton Highlands—Canso): Will the minister not admit to this House that all this talk about viability is nothing more than a con job on the fishermen and fishing communities of Atlantic Canada?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, when I hear a Liberal talking about a con job it reminds me of one. The member likes to quote people. Here is one from those great Grits: "Guaranteeing people an annual income will stop Atlantic Canadians from cheating and being dishonest about the unemployment insurance system. A guaranteed annual income will stop the charade of UIC fraud in Atlantic Canada where people are playing the game when in effect UIC is an income supplement program".

Some hon. members: Who said it?

Mr. Valcourt: John Nunziata.

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SCIENCE AND TECHNOLOGY

Mr. John Manley (Ottawa South): Mr. Speaker, at least we now know where the minister looks for advice.

My question is for the Minister of Industry, Science and Technology. Yesterday the minister told the House that Canada could do nothing about the indirect acquisition of Leigh Instruments by Siemens of Germany and General Electric of the United Kingdom. Since last November Investment Canada has been in receipt of an application for review of that takeover of Leigh as part of the purchase of Plessey.

Why did the government sit on this application for review of the takeover of Leigh Instruments when it should have acted to save 750 Canadian jobs?

[*Translation*]

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, what I said yesterday still applies. The transaction with General Electric which resulted in the takeover of the British firm Plessey, owner of Leigh Instruments, took place in England, outside the country. I repeat, the Government of Cana-

da has no say over an indirect transaction between two international companies that took place in London. Only when this foreign company advises Investment Canada of what happened last November, and only with respect to how Siemens and GEC will share responsibility for their Canadian operations, does Investment Canada proceed with its review. I repeat, Mr. Speaker, this was what is commonly referred to as a hostile takeover. Since the takeover took place outside the country, Canada could not take any direct action.

[*English*]

Mr. John Manley (Ottawa South): Mr. Speaker, Canadians who know the importance of science and technology for Canada's future are worried by the takeover of high-tech companies by foreign concerns as well as the loss of a well established company like Leigh.

My supplementary question is for the same minister. When is the government going to recognize that knowledge in Canadian companies and trained and experienced Canadian high-tech workers are a national resource for Canada that is need of protection?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, the member should be particularly proud of what we did for science and technology compared with what his party did for about 20 years. I think this government has done more than that government did.

In the case of Leigh Instruments, we are worried about the welfare of those workers and we are going to use all the programs, particularly with my colleague from Employment and Immigration.

My friend knows very well that Leigh Instruments is working in the defence industry which is facing some slow downs at the present time. For that reason and the reason that, as the president of Leigh Instruments himself said, there was a problem of management, we face what we face today.

Once again, I am proud of what we did for science and technology. The Prime Minister himself proposed an advisory board. We put $1 billion into that sector and we will continue to work with it. The member's party should have done that when it had the chance.

PRESENCE IN THE GALLERY

Mr. Speaker: I wish to draw to members' attention of the presence in the gallery of Mr. Syed Kazmi, Minister of Health, Special Education and Social Welfare, Government of Pakistan.

Some hon. members: Hear, hear!

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• (1450)

RESEARCH AND DEVELOPMENT

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is directed to the Minister of Industry, Science and Technology as well. As the minister knows, one of the centre-pieces of the government's research and development policy is the Centres of Excellence.

I ask the minister to confirm the fact that the University of Saskatchewan is unlikely to be able to fulfil its participation in six of the 14 centres because of inadequate funding to meet infrastructure and overhead costs. Would he also confirm that so far only two of the ten provinces have committed themselves to the necessary funding to permit the Centres of Excellence in those provinces to proceed?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I have no doubt at all that all of those universities involved in the Centres of Excellence Program will proceed with the centres. The networks that are being developed are extremely important to this country. The funding is there on the federal side and I have no doubt that it will be there on the provincial side.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, this is a government that has cut EPF transfer payments to support university operational costs. This is a government that has not sustained an adequate level of general research support through the granting councils. This is a government that has ignored the Wright Report recommendations of long standing, that the government fund with its research grants overhead costs and infrastructure costs as well.

Will this government not finally admit that it has failed to fulfil its financial obligations to ensure that even this small contribution to national research will be able to proceed?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I would like to remind my hon. colleague that the granting councils now receive some $700 million a year from the Government of Canada. I think that is a pretty fair record. In the coming year the granting councils' funding will increase by something like 8.6 per cent.

Do not try to tell us we are not supporting the granting councils. It is simply not true.

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COMMUNITY FUTURES PROGRAM

Mr. Peter L. McCreath (South Shore): Mr. Speaker, my question is for the Minister of Employment and Immigration. We were very pleased to receive a Community Futures Program last fall in Shelburne County, which provides an excellent base for economic diversification.

Could the minister tell the House what additional resources may be available in the future to allow this program and others like it to expand?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, it is not only in the hon. member's riding that the Community Futures Program has been helpful. The chairman of the Economic Recovery Commission in Newfoundland is quoted as saying that the Community Futures Program has been very helpful in rural development in Newfoundland. In the riding of Gander—Grand Falls, held by an hon. member across the House, the Central Newfoundland Community Futures Committee is working on a number of programs to bring about economic development.

Under our labour force development strategy, when we get our new legislation, which we would urge hon. members opposite to urge on their colleagues, it will be possible to increase by one-third, $50 million, this wonderful program for Canadians.

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THE ENVIRONMENT

Mr. Rex Crawford (Kent): Mr. Speaker, my question is for the Minister of the Environment. The minister will know that the much heralded Environmental Protection Act is a shockingly poor example of action. Last year only a paltry 3 per cent of polluters were charged after being caught breaking the law. There is only one lonely inspector for all of Ontario, while this government will hire 4,000 people to make sure the ordinary Canadian complies with the tax rules.

How can the minister tell Canadians he is taking action on the environment when the facts prove otherwise?

Hon. Lucien Bouchard (Minister of the Environment): First of all, Mr. Speaker, I do not think that environmental efficiency must be measured in terms of people being put into jail. We must do much better than that.

As we all know, the regulations enacted during the Liberal regime did not allow the government to lay charges under the legislation because it is said in the regulations that they do not apply to mills built prior to 1971 and more than 90 per cent of mills in Canada were built before that date. This means that we must update those regulations to be in a position to lay the charges where we have to.

Mr. Rex Crawford (Kent): Mr. Speaker, the International Joint Commission says that the health of kids is threatened by the toxins of the Great Lakes water. There were 5,000 chemical spills, three times the number made public before. The clean-up program gets only $25 million this year, while the GST gets $111 million of a $1.5 billion total.

How can the minister justify spending billions on taxing Canadians while the environment gets shafted?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, this government shares the concerns of the hon. member. The Secretary of State for External Affairs met his *vis-a-vis* in the American government the day after the tabling of the report to discuss that. I met Secretary Reilly last week to discuss the same things.

We think we must upgrade the efforts of the two governments to deal with this great problem.

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CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the minister responsible for Canada Post. Earlier today the Conservative members of Parliament recommended in a report to privatize all rural post offices, to sell to the private sector all of Canada Post, and to increase prices and services to

provide for a dividend of 40 per cent to the Government of Canada.

Will the minister stand in his place now, totally dissociate himself from those propositions and commit himself to a modern, efficient and publicly owned postal system for Canada?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am very pleased to stand in my place and applaud the excellent work by this committee in recognition of the tremendous progress that Canada Post has gone through in the last few years.

I understand the rate of return recommendation to mean that the true costs of delivering the mail, including the cost of capital, should be borne by the users, 80 per cent of which are businesses.

Is the hon. member suggesting that it is a good economic and social policy to have these business users of the post office subsidized by the general taxpayer by providing for less than the real rate of return on the money invested by the taxpayer?

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my supplementary is to the same minister.

[*Translation*]

The Postal Services Review Board, the consumer watchdog, was abolished in the last Budget, ostensibly to save $3 million annually. Since Canada Post spends $17 million every year on advertising to convince us it delivers the mail, is the minister now prepared to allocate at least $3 million of this money to protecting the consumer?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the protection of the consumer is well served by an efficient and effective post office that delivers the mail within the time limits that consumers expect.

It is obviously always difficult when you have to cut back on government operations, like the Postal Service Review Committee. It was difficult because we have this monstrous deficit which we inherited from previous governments and which we are trying to manage.

In a competitive world advertising is how you reach your customers. The post office has customers. It must advertise, along with its competitors, in order to serve its customers. The hon. member believes in state control in a socialist type of operation where advertising is unnecessary. We don't.

* * *

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Prime Minister who will know that less than two years ago Canada organized and hosted a major landmark international conference on the atmosphere, now known as the Toronto Conference.

During that conference international scientific consensus was achieved that we need to reduce carbon dioxide emissions by 20 per cent by the year 2005. Canada agreed to that. The scientists and politicians who were there realized and publicly stated that our problems with the atmosphere are just as serious, if not more so, than the threat of nuclear war.

• (1500)

Is Canada's word good, less than two years later, that we will reduce our carbon dioxide emissions by 20 per cent or more by the year 2005?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, Canada's word is good. The day we make a commitment it will be fulfilled.

We must make a serious commitment to know to what we are committed, and to know what will be a burden on the citizens.

As the hon. member knows, we are waiting for the most important report of the IPCC, a UN body, which will be tabled in August. And there will be a major conference in Geneva in November.

After that, there will be targets and schedules for SO2 reduction in *The Green Plan* for Canada.

Mr. Speaker: A short supplemental.

Mr. Jim Fulton (Skeena): Just for absolute certainty for the Canadian public and for this House, Mr. Speaker, I would like to get an assurance from the Minister of the Environment who said that Canada's word is good.

When he says that Canada's word is good, does he and the Government of Canada mean that Canada will live up to a 20 per cent reduction of carbon dioxide emissions

based on 1988 levels by the year 2005? Is that what the minister meant?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I would like the hon. member to listen to what I said.

I said that we are waiting for the most important scientific report ever seen on this matter, which will be published in August. He cannot pre-empt this report. He must wait, as we must, to know what will be in the report before making a statement and a commitment on precise targets.

GOVERNMENT ORDERS

[*English*]

GOVERNMENT EXPENDITURES RESTRAINT ACT

ALLOCATION OF TIME TO CONSIDER SECOND READING STAGE OF BILL C-69

The House resumed consideration of the motion of Mr. Danis:

> That, in relation to Bill C-69, an act to amend certain statutes to enable restraint of government expenditures, not more than one additional day shall be allotted to the further consideration of the second reading stage; and
>
> That fifteen minutes before the expiry of the time provided for government business on such day, any proceedings before the House shall be interrupted, if required, for the purpose of this Order and, in turn, every question necessary in order to dispose of the second reading stage shall be put forthwith and successively, without further debate or amendment.

Mr. Speaker: The hon. member for Kootenay East still has the floor.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I welcome the opportunity to speak on this closure motion.

Once again the government has decided to use closure on an important piece of legislation, Bill C-69, a procedure that undermines the whole purpose of this institution and threatens the impoverished people of my province of British Columbia.

I would like to suggest that the use of closure is another sign of a scared government, a desperate government, a government with no direction and no future. Why else would it once again hide behind this motion and allow no further debate? Only two New Democrats have spoken on this piece of legislation.

[*Translation*]

Mr. Della Noce: Mr. Speaker, on a point of order. Yesterday, you handed down a decision regarding a question of privilege raised by the hon. member for Mégantic—Compton—Stanstead. You said that today we would probably have a chance to discuss the hon. member's question of privilege about what was said by the hon. member for York South—Weston, and I would also have something to say about the Italian community which is very shocked at what happened. I would have liked to take part in the debate but, unfortunately, I will not be here tomorrow. I would like to know when and on what date the debate will take place.

Mr. Speaker: I am sorry the hon. member did not understand the situation. I made arrangements with the hon. member's office so that he would be here in the House immediately after Oral Question Period tomorrow, Wednesday afternoon, when the debate will continue.

[*English*]

Mr. Speaker: The hon. member may continue.

Mr. Parker: Mr. Speaker, is it because members of the government consider cutting services to poor Canadians, to sick Canadians, to Canadians living on the streets and dependent on food banks to eat an issue of such principle that they refuse to debate it? Are they afraid to debate the cutbacks they have made to the provinces in our social programs, our hospital and medical programs and our post-secondary education? Doctors in the province of British Columbia are crying out for help. Patients are crying for help to be served within the hospitals.

I believe that closure is being used to rush yet another unpopular measure through this House. None of us should be surprised. This is the same government that kicks out its own members for speaking their minds.

Mr. Milliken: Gave them the boot.

Mr. Parker: That is right.

They are not fooling any of the Canadian people. The public knows the score with this government. They have been telling Angus Reid and Gallup what they think of this government for years.

I am sure there are many members opposite who read the polls that I have referred to who think that they are living a nightmare. I want to tell them they do not know what a nightmare is.

A nightmare is sleeping on a bench in Vancouver because you cannot afford to support yourself. A nightmare is lining up at a food bank to get the minimum amount of food to keep your family going for another day. A nightmare is not being able to receive basic health care or education because this government has cut transfers to British Columbia. Between this government and its counterpart in Victoria the people of B.C. have received a double whammy.

The nightmare of the people of B.C. and, indeed, all the people of Canada will end the day this government is tossed out of office. That is a day that I can assure members opposite is not that far off.

I want to talk a little about accountability. During the last election Progressive Conservative candidates talked about accountability. I would like to talk about that accountability now.

Between 1980 and 1984 when the Liberals were in power, the then Minister of Transport was trying to bring about some changes to passenger rail service and make cutbacks to those services.

I travelled across Canada at that time with the present Deputy Prime Minister. He sought to save the rail system then. Yet when this government brought forward a measure to cut VIA Rail services he never said one word to protect them.

Where is the accountability in this government when it comes to hearing what the people have to say? Where is the accountability when it comes to the goods and services tax? Where is the accountability when the cutbacks come?

During the last election campaign the Prime Minister said that our social programs would be well protected. Yet today we have a situation in which transfer payments to the provinces are going to be capped and cut back—when the Prime Minister stated that they would be protected.

There is no accountability on that side of the House. Canadians are sick of a government that subsidizes corporate entertainment to the tune of $1 billion a year while the lines at the food banks continue to grow longer.

Canadians are sick of a government that asks lower and middle-income Canadians to pay for the debt that it has created. Canadians are sick of a government that would rather argue with physicians through multimillion dollar television commercials paid for by the taxpayers rather than on the floor of the House of Commons.

Literally millions of dollars are being spent to promote the goods and services tax which this government is trying to impose on the Canadian people. However, when we want to argue to protect the social programs, the hospital programs and post-secondary education programs in my province of British Columbia, we are not allowed even to debate them.

• (1510)

This government can continue to invoke closure. It can continue to cut programs to those most in need. I would like to leave the government with one thought. In 1992 or thereabouts, the Canadian people are going to institute closure on this government. I can assure you of that, Madam Speaker.

Mr. George Proud (Hillsborough): Madam Speaker, we are debating a motion of time allocation concerning Bill C-69. Such a motion concerning other bills, as well as closure, has been debated more times since December, 1988 than almost any other issue that we have talked about in Parliament.

In his remarks this morning the member for Halifax West stated that we have known about Bill C-69 since it came forward in the February 20 budget. He said that because it was in the budget all Canadians know about it. As far as I am concerned, that is not the case.

As the member of Parliament from the riding of Hillsborough I believe that I and every other member of Parliament in this Chamber should have the right and the time to discuss the issues that are very important to their ridings and, indeed, to their country.

Under the EPF the federal government provides equal per capita financial assistance to all the provinces through the transfer of tax points and cash pay-outs. The transfers were to assist provinces in their responsibilities in health care and post-secondary education. Over time, and after many meetings with representatives in both health care and educational fields, the message that has

been reiterated is that the provinces need more money to function, not the same amount or less money.

Since the government came to power in 1984 it has on three separate occasions reduced the amount of federal transfers to the provinces for medicare, hospital services and post-secondary education.

The impact of these cuts on Prince Edward Island alone up to 1995 will mean a loss of $155 million. For every man, woman and child in that riding it means a cost of close to $2,000 each. In turn, the spin-off of these cuts once again enters the millions of dollars.

The government tries to fool the people by saying that the richer provinces of Alberta, Ontario and British Columbia will be receiving less funding, therefore leading us to believe that the poorer provinces will be receiving more funding. However, that is not the case.

Education is the lifeline of Canada's future. However, this government continues to cut back on funding to students and post-secondary educational institutions. Each year as the population increases and more students realize the necessity of an education the demand for classroom space is increased, while the number of instructors per students will decrease if the funding for the extended budget is not there.

As our health care system advances we find people living longer lives and the rising cost of high technology medical equipment placing a further burden on the system. Now what we have are two essential systems. As the member for Gander—Grand Falls said this morning, there are two systems in this country that should never be touched when we come to cutbacks, belt tightening and restraint. They are health and education.

Now, instead, we have these two groups pitted against one another for funding due to the nature of the allocation of the funds. If the provinces now decide not to increase taxes, they will be forced to make cutbacks. In turn, the hospitals will have to close beds, limit costly operations or find other reductions.

On the other hand, students will face higher tuition fees. In the outlying regions, the Atlantic region and other regions of Canada, not only will students face the high cost of tuition fees but in those areas where seasonal employment and low paying jobs are the norm the problem will be to find a job at which they can earn enough money to see them through their education. Now, with the costs being higher, this will be even much harder to do. They are going to face overcrowded classes, or other cost-cutting measures.

I now want to reiterate a statement made by the Minister of Finance on March 24, 1982, when he said: "Let us not make hospitals, universities and colleges a battleground between the federal government and the provincial governments. Let us solve those problems, not on the backs of the hospitals and the universities. Let us solve those problems outside of that arena."

We are all aware that the deficit is a very serious and a very real issue. However, the deficit cannot be passed from the federal government to the provincial governments, causing further burden on the various regions across the country. The Atlantic region, as we know, has seen tremendous reductions in federal government financing over the past year, and it will be particularly affected by these moves.

In my riding of Hillsborough, a great many people are on a fixed income or are seasonally employed. I would like to stress that they are seasonally employed not by choice or by laziness. Now they face the possibility of another burden around their necks, that of the GST in 1991.

With the government now transferring its debt we will see an increase in both municipal and provincial taxes, adding further insult to the injury of my constituents. Municipal governments are already facing increased burdens with the decline of municipal infrastructures across the country. They cannot afford to deal with the costs associated with the federal government passing the buck.

The government must begin to negotiate with all the provinces regarding regional planning and to consider the growth factor across the country and the need to upgrade all our facilities in all of the provinces. In doing so, it must propose a framework for the progress of the nation in order to ensure equal access for all Canadians to educational and health care institutions.

I would like to conclude by saying that Prince Edward Islanders are fully aware of the deficit problem Canada is

facing. We are more than willing to do our fair share. But, as I speak, our share is growing.

The Acting Speaker (Mrs. Champagne): On debate, the hon. member for Kootenay—Revelstoke.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Could Madam Speaker advise me as to how much time I have?

The Acting Speaker (Mrs. Champagne): The hon. member has until 3.26.

Mr. Kristiansen: Madam Speaker, thank you very much.

Before rising to speak to Bill C-69, I checked a few figures. I found that the number of times the government has used closure is absolutely phenomenal. In the Thirty-fourth Parliament alone, we have seen some 17 times that the government has used closure, as well as an additional five times for time allocation. When we consider the number of sitting months we have been in session since the election of November 1988, that is approximately twice per sitting month since then. It has been invoked almost once every two weeks.

One begins to wonder just what kind of mind-set exists in the government. Maybe, in the beginning, in those cases when the government considered that members of the opposition were taking extra long lengths of time over some of the serious issues it had brought before the House in the last year and a half, it was necessary. But, it became a habit and the guillotine fell time and time again. I do not know how many times it has happened since the new government House leader assumed his role. He should have been watching the French Revolution on television recently. The use of the guillotine here and the axe falling again and again makes me think that the new government House leader is the Maximilien de Robespierre of the Conservative government and the Whip is Saint-Just.

The government should bear in mind what happened to those people. People who bring the axe down time and time again, in order to deny legitimate dissent, and in order to disallow legitimate dissent from having an opportunity to fully express itself, will end up being the victims of their own weapons.

• (1520)

Members of the government like to say—and I have heard several of them say it in this debate, the few of them who have spoken—that one has got to make hard political choices. They say: "We have to cut somewhere". They say that they have to make choices about what they are going to spend, what they are going to cut, and that there is only so much money going around.

I want to remind them that on the day prior to the last budget they brought in a bill—I believe it was Bill C-52—which was voted for unanimously by all members of the Conservative party and by all Liberal members of the Official Opposition. The supposed purpose of that bill was to reform registered retirement savings plans. But the effect of that legislation, supported by both the Liberals and the Conservatives, was to pass on large tax savings, totalling some $300 million to $350 million per year, to the sole benefit of Canadians who earn over $86,000 per year. That same legislation took away benefits from Canadians who earn under $40,000 per year. They made their choice then.

I mention this because the reasoning of some members amazes me. One of my Liberal colleagues, as reported in *The Ottawa Citizen* of Thursday, April 5, said: "Let us have no illusion about what this bill is about. It is a tax bill to help the rich". That was the Liberal member for Willowdale who, assuming he was here at the time, voted in favour of the legislation which he says is a bill to help the rich at the expense of the relatively poor.

The government has made its choice and members of the opposition made their choice. The government says now that we have to go along with cuts to women's programs, drastic cuts through tax increases to municipalities, and radio licence fee increases of up to 1,800 per cent in some instances in my own locality. It says that it must cap the Canada Assistance Plan to the detriment of people on social assistance, those who are at the bottom rung of Canadian society economically. It will hurt our health care system through cuts and the freezing of revenues under the Established Programs Financing.

For the government to claim that this is necessary, while just days before the last budget it handed over one-third of a billion dollars to those Canadians who earn $86,000 and up, is more than mischievous. It is a betrayal of the people it is supposed to represent, the majority of its electorate. Those people did not benefit

by this action taken the day before the budget. Those people are going to be hurt by the legislation that is before us today.

It is no pleasure to take part in a debate like this. But it is a responsibility that we have to take seriously to point out to the government again and again that it must begin to be consistent. If it has to make cuts, then make cuts to those who can afford to be cut. Do not attack those least able to defend themselves, while at the same time rewarding those who do not need the help of any of us.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five members having risen:

Call in the members.

The House divided on the motion (Mr. Danis), which was agreed to on the following division:

(*Division No. 245*)

YEAS

Members

Anderson
Atkinson
Beatty
Bertrand
Blackburn (Jonquière)
Bouchard (Roberval)
Bourgault
Cadieux
Casey
Chartrand
Clark (Brandon—Souris)
Collins
Corbeil
Couture
Danis
DeBlois
Della Noce
Dorin
Edwards
Fee
Fontaine
Gérin
Gustafson
Hawkes
Hogue
Hudon
James
Johnson
Kempling
Langlois
Layton
Lewis
Lopez
Martin (Lincoln)
McCreath
McKnight
Mitges
Moore
Nicholson
O'Kurley
Porter
Reimer
Richardson
Schneider
Siddon
Stevenson
Thacker
Thorkelson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Vézina
Wenman
Wilbee
Winegard
Andre
Attewell
Belsher
Bjornson
Blenkarn
Bouchard (Lac-Saint-Jean)
Brightwell
Cardiff
Champagne (Champlain)
Clark (Yellowhead)
Cole
Cooper
Côté
Crosby (Halifax West)
Darling
de Cotret
Dick
Duplessis
Epp
Ferland
Friesen
Greene
Halliday
Hicks
Holtmann
Hughes
Jelinek
Jourdenais
Koury
Larrivée
Leblanc (Longueuil)
Littlechild
Marin
Mazankowski
McDermid
Merrithew
Monteith
Mulroney
Oberle
Plamondon
Pronovost
Ricard
Saint-Julien
Scott (Hamilton—Wentworth)
Sparrow
Tétreault
Thompson
Tremblay (Rosemont)
Turner (Halton—Peel)
Van de Walle
Venne
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—111

NAYS

Members

Angus
Axworthy (Saskatoon—Clark's Crossing)
Benjamin
Boudria
Callbeck
Catterall
Crawford
Ferguson
Fulton
Gagliano
Gauthier
Harvey (Edmonton East)
Hovdebo
Jordan
Keyes
Kristiansen
Langdon (Essex—Windsor)
Laporte
Lee
Manley
McCurdy
McLaughlin
Milliken
Mitchell
Parent
Peterson
Proud
Riis
Rodriguez
Speller
Volpe
Young (Beaches—Woodbine)—64
Arseneault
Bélair
Black
Brewin
Campbell (South West Nova)
Clancy
Dionne
Finestone
Gaffney
Gardiner
Gray (Windsor West)
Hopkins
Hunter
Karpoff
Kilgour (Edmonton Southeast)
Langan (Mission—Coquitlam)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
MacLellan
Marleau
McGuire
Mifflin
Mills
Nault
Parker
Pickard
Prud'homme
Robichaud
Simmons
Vanclief
Wood Young (Gloucester)

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

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 Nepean, Goods and Services Tax; the hon. member for Ottawa West, The Environment; the hon. member for Saskatoon—Clark's Crossing, Regional Development.

The Chair is waiting for a little more calm and quiet in the House before recognizing an hon. member. Resuming debate. The hon. member for Halifax.

* * *

GOVERNMENT EXPENDITURES RESTRAINT ACT

MEASURE TO AMEND

The House resumed from Monday, April 23, consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-69, an act to amend certain statutes to enable restraint of government expenditures, be read the second time and referred to a legislative committee; and the amendment of Ms. Langan.

Ms. Mary Clancy (Halifax): Madam Speaker, I am delighted to be recognized. I rise today to speak on Bill C-69 and the disastrous effects that the cutbacks in established program funding will have on the various areas of Atlantic Canada that are concerned.

The two major areas of my own riding of Halifax, my own province of Nova Scotia and my region are of course those of post-secondary education and health care. I spoke briefly in the time allocation debate regarding the necessity of matters such as this having a full airing, and that the duly elected members of the opposition being permitted to do their job and represent the attitudes and the beliefs of their constituents in a debate as important as this one is. Consequently, I am delighted that I will be one of the few who will have the opportunity to make remarks in this particular area.

The government has launched a massive assault on funding for post-secondary education. The combined effect of the freeze, the 1 per cent reduction in the EPF funding after the freeze expires and Bill C-96 and Bill C-33 will result in almost $9 billion less in post-secondary funding by 1995. This is an estimate prepared by the Canadian Association of University Teachers.

Given the fact that education is the future and the hope of Canadians nation-wide, what we are seeing is a withdrawal from and a refusal to recognize the fact that this sort of program is the only sane kind of investment in our future that Canadians want to see, need to see and have a right to see. I speak from the heart when I talk about the plight of universities in Atlantic Canada. A number of my colleagues across the way will know that I speak correctly. I speak about universities such as Dalhousie, Mount Saint Vincent, Saint Mary's, the University of King's College, the Nova Scotia College of Art and Design, the Technical College of Nova Scotia, all of which are in or close to my own riding of Halifax.

• (1610)

I speak of St. Francis Xavier University in Antigonish, Nova Scotia, the alma mater of a number of members of this House, both past and present, not the least of whom, of course, is the Prime Minister of Canada. I speak of Acadia University and College Sainte Anne in Pointe L'Eglise in Nova Scotia. I speak of the other university that, although it is in New Brunswick, is considered under the funding rules to be partially Nova Scotian. My learned colleague from Cumberland—Colchester will know that I refer to Mount Allison University. And I speak of the University College of Cape Breton. All of these universities have a number of things in common. The first thing they have in common is a high standard of excellence in the training and education of students and in the level and devotion of faculty members. The second thing they have in common is a deteriorating physical plant and an inability to pay their faculty members up to the scale of other universities in this country. We are all aware that the farther west you go in this country, the higher salaries are for faculty and staff and the lower tuition rates are for students. Indeed, Nova Scotia boasts—if I can use that word—the highest tuition rates in the country and the majority of Atlantic students can ill-afford to pay those extremely high tuition fees.

These universities have in common the fact that their boards, faculty and students work in buildings that are long in need of major repair. They use laboratory facilities that are considerably behind those available to universities in the rest of the country. The fact that we can still compete at all with those researchers south of the border is absolutely amazing.

The tradition of education in Nova Scotia is a long one. All of the people who make up the founding peoples of the province of Nova Scotia have had a long-time belief in education, in cultural pursuits and in developing the best possible technology to keep our province in the best possible industrial and developmental patterns.

I go back back to the habitation at Port Royal in 1605 of the first Europeans in Nova Scotia. They founded the first social club in North America of which we are very proud in Nova Scotia. The social club is known as the Order of Good Cheer. One of the things that is not known is that the Order of Good Cheer was one of the first play writing schools and theatrical endeavours in North America as well. Indeed, the settlers at the habitation were encouraged by Champlain, de Monts, and de Poutrincourt to produce plays that related to their own situation in Nova Scotia back in the early 17th century.

Madam Speaker, that is a proud tradition. I hope that sometime you will come to Nova Scotia and we will be able to bring you into the Order of Good Cheer.

I bring up this particular story to shed light on the things happening in our universities. They are happening nation-wide, but particularly in Atlantic Canada, because of the massive cutbacks. The universities are being forced to justify their existence in the light of technology, in the light of preparing people specifically for jobs which relate to the more technical side of education. As it is, with that change in direction, they are still hamstrung to a great degree by this cutback in funding, none more so than in the science, medical and engineering faculties.

On the other side in education, the humanities and arts side—and I know that this is something that is dear to you, Madam Speaker, as well as it is to me— is where we really see people losing out. We see those faculty members trained in literature, in theatre and drama, in music, in the lively arts. The money is just not there. It cannot be raised to keep those faculties going and to perpetuate a tradition of Canadian culture of fostering young writers, dancers, actors, directors, choreographers, and so on. All participants make our country and its cultural life such a tremendous mix of all the peoples who came to Canada and settled here. That is a tragedy.

Beyond that sense of funding for universities being cut off in the lively arts area—the theatre schools, dance schools and so on—we also have the other areas of the humanities.

I can remember finishing my first degree in 1970, an Honours BA in English, and being told quite rightly that I was fit for nothing. Nobody would be prepared to pay me for anything I had learned in the past four years, which was perfectly true. Fortunately, I went on to further education at that point.

We all know that the employability of the average arts graduate in the country today is probably comparable to that of a high school graduate 20 years ago. I do not think anyone would disagree that if our universities are being forced strictly into the technological mode, strictly looking at training people for the job market and for nothing else, we lose another major piece of our soul. I cannot think of another word for it. Those of us who spent the time studying the supposedly arcane areas such as literature, philosophy, languages, logic or whatever, may not have been able to come out and operate computers. We may not have had technology at our fingertips, and, indeed, as I was told, many of those people are being told: "You have no skill that is marketable."

Educating in that area keeps alive and vibrant, in a country such as ours, the spirit of all our various cultures. The fact that people still study and still want to go on and teach in areas that are not particularly lucrative and that are not considered the high point of the technocratic age, says something for the commitment that Canadian academics and Canadian students have to the other side and to the theory that a person—man or woman—cannot live by bread alone.

As we see the cutbacks to Established Program Funding, we are going to see that universities will just not have the luxury of expanding, let alone not cutting back on English, drama and philosophy departments. I have nothing against computers and there is no one in this Chamber who could survive without them. But young Canadians, when choosing career paths and given the choice between a degree in computer science and a

degree in English literature, French literature or philosophy, are obviously going to say: "Computer science."

• (1620)

On the other side, the pure science side, our universities in the Atlantic are dealing with equipment and laboratories that are 20 years out of date. In my university, Mount Saint Vincent, the only women's university in the British Commonwealth, we have just recently, with the consent of the former Speaker of the House, Madam Sauvé, established a Jeanne Sauvé Chair for Women in Science.

From my years as a faculty member in that institution, I can tell you of the dedication of women and men in the areas of chemistry, physics, and biology, in particular, who laboured to teach and to teach to the maximum of their ability. They laboured to bring to their students the latest developments in a physical plant that again was 20 years out of date. With the establishment of the Jeanne Sauvé Chair and with various other fund-raising techniques that are going on, that situation is being slowly changed. But the moneys that might have gone into improving the situation in science faculties at our only women's university, with the cutbacks to EPF, are probably going to have to be spread more thinly across the whole university. Indeed, there are going to many other shortfalls that will be found there, as at the other universities that I mentioned.

It is unfair and short-sighted that we take this cut. There is no question, and I am sure that many people will bring this up as we go on in this debate, that there is a deficit in the country and that the deficit must be handled. We have all discussed the varying ways that the deficit could be handled. My colleagues much more knowledgeable in the area than I am.

The hon. member for Gloucester, among others, has spoken frequently about what a 1 per cent drop in the interest rate would do to the deficit. We know that, by cutting back 1 per cent in Established Program Financing, we are saying to thousands of young Canadians: "I am sorry, but a university education, a post-secondary education, or a specific educational program that will make you a better trained Canadian and give you a better outlook on life and a better start when you come into the workforce is not going to be available to you." Universities are going to have to close classroom space. They are going to have to let faculty members go and they are going to have to cut back. There is just no other way. The only other possibility from that is that tuition fees would reflect the actual cost of educating a university student.

The actual cost of educating a university student in Canada today is, at minimum, $10,000 per year. How many Canadians in 1990, parents or students, could look at the possibility of post-secondary education and say: "Yes, I can afford $10,000 per year for tuition." This is without talking about how much money it is going to cost for living that year in university, how much money will be needed for books and transportation. With the cost for books, one must now add in the 7 per cent GST as well.

If we do this, we again become closer to the so-called model for the government, that being the United States. The majority of universities in the United States do have tuition rates that high and even higher. They have a different system there. They have endowments and scholarship funds and they have a population 10 times the size of ours to draw on. Even with that difference, the ideal of a university education in the United States of America is still one that belongs almost exclusively to the upper middle class. In the supposed land of the free and home of the brave, south of the border, it is not an opportunity that every child has. Indeed, it is an opportunity that only belongs, in general, to the well-to-do or to those who manage to achieve an academic level that is probably beyond the vast majority of high school graduates.

In Canada, the children of fishermen, coalminers, steelworkers, prairie farmers, Ontario factory workers, Quebec factory workers and fishermen, and loggers in B.C. have always known, in the post-war society, that a university education was within their grasp.

I ask the government, as it brings this bill to the vote, is this what it wants? Is this the memorial to this government that it wants, along with the GST, the end of VIA and a variety of other perfidy? Does it want people to stand up and say: "It was the Mulroney government that ended the dream of post-secondary education for the vast majority of Canadians." I hope not, but I fear so.

Mr. Jim Karpoff (Surrey North): Madam Speaker, in her remarks, the member talked about the problems of university education. I want to ask her to expand particularly on one area.

We are facing a health care crisis in Canada, and part of that health care crisis is in terms of funding of health care programs. The other part is based on a lack of professional people being trained in the field.

In the last 20 years in Canada, we have relied upon immigration to fill the needs of our health care system with professionals, particularly doctors. Without the ability to recruit doctors from developing countries, Canada would have had a shortage of doctors. We would have had a shortage in the nursing field without recruitment from other countries.

Yet, when there is such a need, people in this country are unable to obtain employment because they do not have adequate training. At the same time, we are making university education and post-secondary education so expensive they cannot afford it. Why has the government not seen fit to put more money into the post-secondary education, particularly in some of the health care fields where there is a great need, and why it does not seem to put this as a priority?

I ask the member: What is her thinking as to why the government carries out this very short-sighted policy?

Ms. Clancy: Madam Speaker, I thank the hon. member for Surrey North for his question.

I have to say that if I could fathom the workings of the so-called mind—if there is a collective mind-set of the government opposite—I would probably go into the fortune-telling business. But that is the short-sighted and short-term answer.

The long-term answer and the serious answer is that the dearth of moneys for professional schools, particularly in the area of health care, has been a problem for a number of years. Cutting back in Established Program Financing is truly going to put a knife to the heart of the being that is left. The being that is left is very small.

I know, for example, in my own province of Nova Scotia, outside the Halifax-Dartmouth area, with a few exceptions of certain other rural areas or county seats and towns, there are counties that have no dental services. There are counties that have a very short supply of doctors. There are counties that have a very short supply of nurses. Because nurses are so low paid in this country as a general rule, they are all moving to the United States. Perhaps not all, but a very large percentage of them are moving to the United States. They are going to Texas, and so are doctors.

• (1630)

In every medical school graduating class from Dalhousie University, one of the oldest and most prestigious medical schools in this country, there is a significant number of medical graduates every year who leave to set up practice in the United States.

We are not producing enough medical personnel to begin with. We are not opening our immigration. That is a whole other story about the small-minded, short-sighted and bizarre immigration policies in this country. But even those medical personnel that we are training, we are losing to another country. It is all part and parcel of the same malaise in the country. The malaise is that the government is not committed to Canadians, it does not have an agenda which Canadians follow and believe. Canadians wake up each morning and say "I don't recognize this place".

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I want to start by congratulating my colleague for her excellent discourse. I am sure that all members of the House would support that proposition.

Having listened quite attentively to her remarks on post-secondary education, I want to fully concur with those remarks. I want to ask another question on a slightly different topic, the mean-spiritedness of the government in cutting back on certain transfers to the provinces in the area of social assistance under the Canada Assistance Plan.

As my colleague will know, the mean-spirited government across the way introduced Bill C-21 which will cut back on unemployment benefits to a large number of Canadians. These Canadians who are suffering from that mean-spiritedness of the government across the way will then be forced on to welfare rolls. At the same time the government will cut back transfers of funds which are utilized as matching funds for welfare.

I want to ask my colleague what effect that mean-spiritedness on the part of the government will have on her region and what she thinks of those particular initiati-

ves—if I can call them that—of the Conservative party across the way?

Ms. Clancy: Madam Speaker, I thank my hon. colleague from Glengarry—Prescott—Russell for his question. Indeed, there lies the crux of the matter regarding how my region, his region, your region, Madam Speaker, the region of the hon. member for Regina—Wascana, how we are all going to react to this.

I was fortunate enough to attend a meeting of the Halifax city council not too long ago. They met with a welfare rights group. The city council already had a massive cut in its budget from the province which in turn comes from the Canada Assistance Plan. It was looking at ways to keep from closing a shelter for homeless teenage boys. As it happened, by cutting, scrimping, saving and making do, and also by making a fairly major increase in property taxes in the city of Halifax, they were able to make up the shortfall in the social assistance budget.

The situation is bordering on the desperate in the province of Nova Scotia. Municipalities are hard pressed. The provincial government is hard pressed. If this government is successful, if it does not change its mind and withdraw the pernicious bill, UI will effectively disappear.

We are seeing cut-backs in transfer payments to the provinces. The money is not going to be there. I do not know what is going to happen. I know it is going to be terrible, but what the particular effects will be, I am not sure. We have families and children living in the streets in all of our cities, Halifax no less than any others. This is going to make it significantly worse. Everyone in this House who has sat on a municipal council knows what I say is true. Everyone in this House who represents an urban riding knows what I say is true. We are yet to see the devastation that these cuts will cause in our urban centres from coast to coast.

Mr. Boudria: Good answer.

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, it is a pleasure for me as well to be on my feet today to address the matter before us, Bill C–69.

Mr. Boudria: I hope the Conservative members are paying attention.

Mr. Schneider: I could not help but sit in utter amazement and listen to some of the debate that preceded my opportunity to speak. I wondered if we were in the same room, the same country and talking about the same subject. I suppose that is the option of the opposition, and that is, of course, to interpret things in their own way.

Bill C–69 as we have it before us has been interpreted by many and much has been said. I would suggest that what has been said is wrong. We have heard that transfer payments have been cut and the government has attacked education and health. All these programs according to their impression, the EPF and the Canada Assistance Program, have seen a reduction in their budget and, of course, nothing is further from the truth.

To explain to someone in a hurry that there has been a reduction in the growth is a little difficult to comprehend—

Mr. Boudria: We will explain it later; explain it slowly.

Mr. Schneider: —much more so than to understand if a member of the opposition, rightly or wrongly, says that there has been a cut. There has not been a cut. In fact, what has happened is that the rate of growth has not kept pace with previous expectations and the budget continues to grow in these particular areas. For others in the Canadian community to devoid themselves of the responsibility for the federal deficit, to complain that they are going to suffer any more than the rest of us, is of course not to carry their share of the load, and that is essentially what this bill does.

Perhaps a history of Bill C–69 and the matter we have before us would be of some interest to those who will some day read what we are discussing today. Bill C–69 was introduced in the House of Commons on March 15 of this year. Its purpose was to implement key aspects of the expenditure control plan affecting statutory programs proposed in the February 20 budget of the Minister of Finance.

Combined with the restraint initiatives announced in December 1989, this plan will reduce government spending by an estimated $3 billion in 1990–91 and $3.8 billion in 1991–92. The federal deficit is projected to decline from $30.5 billion in 1989–90 to $28.5 billion in 1990–91 and to $26.8 billion in 1991–92.

This bill affects four programs: the Canada Assistance Plan, the Canadian Exploration and Development Incentive Program, the Established Programs Financing arrangement and the public utilities income tax transfer. I would just like to focus on a couple of these.

First, the Canada Assistance Plan. The federal government pays the provinces half the cost of eligible social assistance expenditures under the CAP. These transfers have grown from $4 billion in 1984–85 to about $5.5 billion in 1989–90, an average annual increase of 6.7 per cent. The amendments do not affect provinces which receive federal equalization transfers. The federal government will, therefore, continue to share half of all eligible expenditures incurred in these provinces.

For provinces not receiving equalization, the bill provides for a maximum of 5 per cent annual growth of CAP contributions for 1990–91 and for 1991–92.

Mr. Boudria: How do we know?

Mr. Schneider: The provinces of Ontario, Alberta and British Columbia are in a much better financial position than the federal government to finance expenditures beyond the 5 per cent growth rate. The implementation of this measure will provide for resumption of the present regime on April 1, 1992.

I would like to focus some attention on the Established Programs Financing. The EPF is the single largest transfer program to provinces and has grown from $14.5 billion in 1984–85 to almost $20 billion in 1989–90, an average annual increase of 6.3 per cent. Under EPF the federal government provides equal per capita financial assistance to all provinces through the transfer of tax points and cash payments. Historically these transfers were undertaken to assist provinces to carry out their responsibilities with respect to health care and post-secondary education. Since 1977 provinces have been able to use these transfers according to their particular priorities rather than in a more restrictive fashion required by the previous cost-sharing arrangements.

• (1640)

The bill will hold the per capita EPF transfer in 1990–91 and in 1991–92, to its 1989–90 level. However, total EPF transfers will continue to grow with the population increase of each province or about 1 per cent nationally. The bill provides for a resumption of EPF growth in 1992–93 at the rate of growth of GNP less 3 percentage points consistent with the announcement in the April 1989 budget. The growth of the total EPF transfer beginning in 1992–93 will not fall below the rate of inflation.

This change in the EPF will have exactly the same per capita impact on all provinces and represents less than 1 per cent of provincial revenues in 1990–91. Low-income provinces will continue to benefit from large and growing equalization transfers which have been exempted from the expenditure control plan.

Bill C-69 is a major component of the budget that was announced in February as we made earlier reference and I think it would be of some interest at this time to make reference to how the impact of Bill C-69 relates to the budget and more important how our budget affects our country.

Our budget is about building for the future, not borrowing from it. That is why our budget deals firmly with the major obstacle to that future, the problem of our growing debt. The measures in our budget reflect the seriousness of the debt situation we face and at the same time we have worked to ensure that the total package of measures is balanced, reflecting regional circumstances and placing the greater burden on those who are better able to carry it.

As a government we are acting with a resolve to reduce expenditures and to improve our own efficiency and operations. All Canadians are being asked to play a greater part in dealing with the debt problem.

Let me outline the actions we are taking to deal with this debt. We are reducing government spending affecting a wide range of programs from national defence to government operations. As a result of these and earlier actions program spending, relative to the size of the economy, will continue to decline significantly. By 1993–94, it will fall to its lowest level in a quarter of a century.

The budget measures will cut the annual deficit in half to $14 billion by 1993–94. As the deficit goes down the debt will shrink as a proportion of our national income. Interest costs will take less of every revenue dollar. Our healthier fiscal position will help to reduce inflationary pressures and thus create an environment favourable to lower interest rates. In this way the fiscal actions in this

budget make an important contribution to achieving sustainable economic growth.

To achieve this goal a period of moderation and demand is also essential. Indeed, economic growth is expected to moderate and to average about 1.3 per cent at an annual rate for 1990. Employment will continue to grow during this period, however, but at a somewhat slower rate than labour force growth.

Over the medium term inflation and interest rates are expected to decline and the economy to resume growth at its potential rate, averaging about 3.5 per cent a year. If we had not acted, we could have faced a growing danger of higher inflation and even higher interest rates that could have led to a severe recession.

For the longer term we will continue to build a foundation for economic progress by moving forward with a balanced agenda of fiscal and economic action. The replacement of the existing federal sales tax is a key element of this strategy to safeguard essential programs and strengthen Canada's economy. The government will proceed with reform of the federal sales tax effective January 1, 1991, certainly no surprise to you. This reform is expected to result in major gains in economic output in the range of about $9 billion a year, gains that will be felt in all sectors of the economy and in all regions of Canada.

I would like to comment about the effects that this program has in total for our federal government support for education. We deem education to be an important priority. That is why the Prime Minister and the provincial premiers agreed in a November communique that they would work together to examine ways of allocating resources more effectively with a focus on results through the proposed new task force on Canada's human resource development system.

On January 30 the Prime Minister told the National Advisory Board on Science and Technology that to improve Canada's competitive position and I quote: "We must control the deficit and the debt if we are to unshackle our hands". That is what the budget and Bill C-69 are all about.

Students of today are going to be major beneficiaries of the improvement in our fiscal and economic position in coming years. As part of our broad-based efforts to get us out from under a growing mountain of debt we have introduced Bill C-69. Among other things it will hold constant for two years per capita entitlements under the EPF financing arrangements, which is the government's largest transfer to provinces. Historically, these transfers were undertaken to assist provinces to carry out their responsibilities in respect of health care and post-secondary education.

Since 1977, provinces have been able to use these transfers according to their own particular priorities rather than in the more restricted fashion required by the previous cost-sharing arrangements. In any case, transfers under EPF will remain large at over $20 billion in this year alone.

Together with equalization assistance to the lower-income provinces, the federal government will make available over $28 billion which provinces can draw upon. Federal support for education is broader than transfers to provincial governments. It includes many programs that are not affected by the Budget or Bill C-69.

These include research funding to granting councils of over $700 million this year. There is about $40 million for the innovative centres of excellence program and there is available funding of $17 million for the Canada Scholarships Program. There is about $250 million for the Official Languages and Education Program, almost $25 million for the literacy program, over $700 million for education services to native people and over $400 million for Canada student loans. There is also a large and growing amount of support for training and labour-market initiatives under the new labour force development strategy.

I would like to comment on the effects of Bill C-69 on my home province of Saskatchewan. The EPF financing transfer to Saskatchewan will be limited to the same per person levels as in 1989-1990 for the next two fiscal years. Equalization transfers, which are of great importance and in Saskatchewan are nearly 60 per cent of the size of the EPF, are expected to continue to grow with the national economy, which is much faster than other federal spending.

Growth of social assistance transfers to Saskatchewan under the Canada Assistance Plan will also be unaffected because the budget exempts provinces that receive equalization from the 5 per cent cap on the growth of these payments. The result is that transfers to Saskatchewan under these three major programs, which in

1989–90 totalled $1.23 billion, are expected to rise in the next two fiscal years to $1.25 billion and $1.29 billion. While these increases are less than they were projected to be prior to the budget, they still represent average growth of about 2.4 per cent over the next two years. Federal support to Saskatchewan is going to continue playing a strong positive role in the provincial fiscal picture.

On a per capita basis, the federal transfers are expected to amount to $1,236 for each Saskatchewan resident in 1990–91 and $1,269 the subsequent fiscal year. The comparable figures for Ontario are $956 and $963.

One of the major criticisms that I have received with respect to the attainment of office is the fact that we as a government must continue to keep our shop in order, keep our program spending under control and in fact to effect cuts. There is a feeling that we are not capable of doing that but for the record I would like to go through as many of these as time permits to explain how this government has in fact responded. That response may not have been made with the bells and whistles that would attract the eye and the ear of the average ratepayer but nevertheless we have been quite effective.

We have provided three elements to approaching a program of fiscal management. First, the government has taken action to cut the growth in spending on government programs. Second, the government has acted to increase its revenues. Third, it has put in place a policy framework which is revitalizing the private sector and will permit sustained economic growth.

Economic growth is essential if the Canadian economy is to generate new wealth and new income. This includes, of course, the Free Trade Agreement, tax reform, deregulation in the energy and transportation sectors, privatization and measures to encourage new investment.

The government previous to our election increased spending by an average of 15.1 per cent a year. This was cut to an average of 5 per cent during our first four years. Excluding interest payments on the public debt, the previous government increased spending by an average of 13.9 per cent a year and we cut this to an average of 3.6 per cent a year during our first four years in office. After accounting for inflation this means that program spending has fallen, on average, by half a per cent a year in real terms. In comparison, the previous administration increased program spending by an average of 5.2 per cent a year, and above the rate of inflation. Oh, but to have that freedom, that reckless abandon.

• (1650)

Spending has grown at a rate that is considerably less than the rate of the growth in the economy. As a result, expenditures have fallen from 24.6 per cent of GDP to 22.2 per cent last year. Spending will further decline to 20 per cent of GDP by 1993–94. Program spending has fallen from 19.5 per cent of GDP to 16.1 per cent and will fall to 15.2 per cent by 1993, back to the level of the late 1980s.

The cost of operating government, that is salaries, equipment, maintenance, et cetera, is actually less today than it was five years ago. But this does not mean the government has not acted to introduce new initiatives to meet new priorities or to deal with short-term problems such as we responded to with respect to the drought in western Canada. We continue to offer $.5 billion on a matching basis to assist the continuing dilemma that exists in agriculture today.

A further initiative we have undertaken is the privatization of 16 crown corporations. The government has improved its cash management and its use of resources. For example, the public service has been cut back to the size it was in 1973. Members of parliament have themselves set an example by receiving average annual salary increases of only 2.8 per cent over the past six years, a rate that has been considerably below the rate of increase in the average industrial wage and in the inflation rate.

Many projects have been cancelled, including the Canada Oil Substitution Program and the Canadian Home Insulation Program, a savings of $180 million and $315 million, respectively. The position of ambassador to the U.N. Food and Agriculture Organization in Rome was cancelled along with five other small posts. The $3.1 million Petroleum Incentives Program terminated in March 31, 1986, with an annual savings of some $600 million in 1986–87 and $1.7 billion in subsequent years. The list goes on. TV studio production services available to all members were discontinued with annual savings of some $300,000. AECL's two heavy water plants on Cape

Breton Island were closed with savings of $115 million in 1985–86 and $100 million in subsequent years.

We have cancelled programs and projects in response to those people who have written to us requesting that in fact we tighten up on government spending, subsidies, and assistance programs which perhaps were not as readily available as at the time the programs were initiated.

In the area of privatization a number of crown corporations have been sold since 1984, generating revenues for the federal treasury and also producing savings on operating costs. The Northern Transportation Company is an example, saving some $27 million, plus another $26.7 in the form of repayment of debt and accrued interest owed to Canada. De Havilland Aircraft of Canada is an example, with some $90 million plus a further $65 million payable in successive instalments.

Mrs. Gaffney: A giveaway!

Mr. Schneider: Canadian Arsenals Limited, $92.2 million; Canada Development Corporation, another savings of some $361 million; CN routes, $29 million in savings; Canadair, a $120 million cash payment, and an estimated $173 million in royalty on future sales of Challenger aircraft and a $3 million dividend; Northern Canada Power Commission in the Yukon, with proceeds totalling $75 million; TeleGlobe Canada, $700 million. The list goes on and on.

In the area of management there have been several significant and rather innovative changes that have made a positive reflection upon what I deem to be fiscal responsibility in terms of responding to the will and the wishes of our Canadian taxpayers. Cost recovery is an item that time does not permit me to comment on but there are several areas where the federal government has provided incentives to workers to be more cost-conscious. This program has become more effective.

Some capital projects have been cancelled or deferred, something which is no at all popular with us. Many of these have involved constituencies represented by the government and one is liable to think that perhaps this government would favour our own constituencies over others. But I believe this government, in the final analysis, can be accused rightly of being fair. That is an accusation that I will feel proud of and continue to take home with me.

Bill C-69 is a major portion of our federal budget. It is an attempt to further bring our economic house in order and while it is a tough measure in some quarters I think that if one wants to be fair one has to conclude that it is a fair measure.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I listened with a great deal of interest to the member from Regina—Wascana.

The member and I once both belonged to a national organization, the Federation of Canadian Municipalities. I was the Director and he was the President of that organization. It strikes me as odd that when he ceases to be a municipal politician and becomes a federal member of Parliament, suddenly his opinion changes on the importance of transfer payments to the provinces. It is almost a bit of double speak. It is very confusing for the people not only in his constituency but also in mine, and equally so for the Federation of Canadian Municipalities.

The federation is saying that cutback in transfer payments to the provinces will have a tremendously adverse affect on the provinces and, in turn, the municipalities. It will affect their ability to cope with their infrastructure problems, the educational problems and the health problems that are affecting the municipalities.

Does the hon. member not feel that he is carrying a different message today than from what he carried for many years as the Mayor of Regina and through the Federation of Canadian Municipalities?

Mr. Schneider: Madam Speaker, believe it or not I do thank the hon. member for the question. I know her well, and know the spirit in which the question was asked.

First of all to clear the record, I never was at any time President of the Federation of Canadian Municipalities. I should have been, I thank the hon. member. I did come very close to being on that elite group because I did sit on the executive.

The hon. member said that as a municipal politician I had a certain perspective and now that I am federally positioned, my position seems to have changed. She wanted to know how that happened. I would like to advise the hon. member and the House that my perspective has not changed a bit. During the time that I was the

Mayor of Regina it was our goal as dictated to us by the responses of the citizens of Regina to be fiscally responsible.

During the last three years that I was in office, we effected a zero per cent increase in the rate of our own financial expectations in that we made political heroes out of ourselves by having a mill rate increase of zero for some two years. Another year, it was below the rate of inflation.

We did that anticipating that we would receive continued growth from our other two favourite sources of funding, namely the federal and provincial governments. When that does not happen then we as municipal politicians have every right in the world to scream, kick, holler and blame others, because certainly we do not want to take the blame ourselves. Whatever our role, we fulfil a function that is rather infallible. Of course, as a result we would not take the blame.

With respect to Bill C-69 we as a federal government have simply followed the budget, and proceeded with an intense and serious program. It is an extremely difficult path to follow because we know it is not a popular one. On one hand we get reams of mail from people telling us to be fiscally responsible and on the other hand we have an opposition telling us how cruel we are because we are cutting funding.

We are not required to cut funding. We are not required to increase taxes. We are required to reduce interest rates and at the same time, keep control of inflation. If you put this entire collage together in the Mulligan pot stew I am afraid that it would not be palatable because one product would conflict with the other.

We are in a difficult position. I know the hon. member appreciates that, but given that she is a very patient person, she will wait until some day when she is in office when I will be able to ask the question. If I should have the patience that she has to be in opposition, should that period of time ever occur in the long life in which I wish to live, perhaps she will find the question as easy to answer as I did today.

The Acting Speaker (Mrs. Champagne): It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

Private Members' Business

PRIVATE MEMBERS' BUSINESS—MOTIONS

[*English*]

ABORIGINAL PEOPLES

NEEDS OF YOUTH

The House resumed from Thursday, April 5, consideration of the motion of Mr. Anawak:

> That, in the opinion of this House, the government should consider developing special initiatives, in consultation with aboriginal peoples, to respond to the serious employment, education and health needs of aboriginal youth.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, as you know, this motion calls on the government to develop special initiatives in consultation with aboriginal people—and this is the key subclause in the sentence—to respond to the serious employment, education and health needs of aboriginal youth.

This motion is extremely timely. It is one that deserves the fullest attention of the Government of Canada for a number of reasons. It is a well documented fact that aboriginal people have been mistreated in North America since Europeans came to this country.

In other words, aboriginal people have had a rough ride. No one can deny that historical fact. We know that in the early stages nations were massacred. We know that from time to time treaties were broken. We know that reserve lands, on some occasions, were poor in resource, poor in location and poor in size. We know that there have been cases of forced relocation. I know of the case of one band near Chicoutimi which, between 1920 and recent months, was relocated seven times to accommodate the exploration ambitions of a mining company.

We know that the earlier European settlers brought with them diseases, infections and certain social habits which proved to be devastating to the aboriginal people. We also know of denial of rights, the most recent one in the proposed Meech Lake Accord, which has been the object of persistent and consistent objections on the part of the native people, and understandably so. Meech Lake is not designed, structured and written in a manner that meets the approval of our aboriginal people. On the contrary, it has been objected to strenuously.

We know also that there are certain parts of Canada, most notably British Columbia, where treaties do not even exist. We know also of megaprojects that were put in place in the 1970s, as in the case of James Bay, where development destroyed the native way of life.

Today, as we debate this matter, we know that a second James Bay project is being proposed which would have a devastating effect on the lifestyle of the aboriginal people, namely, their ability to live off the land if, as proposed, substantial tracts of land are to be inundated and removed from their use.

In addition to that, as we all know, when forests go under water they develop a form of insidious mercury poisoning which infects the fish. This, in turn, has negative impacts on the health of the native population which consumes the fish. In other words, to sum it up, the impact of the white population and the white civilization has had negative consequences on the well-being of our aboriginal people.

It is true that now we can point to some signs of hope and it is worth while putting them on record. For instance there has been the negotiation of South Moresby on the part of the Haida nation; the work by the Lilloet tribal council, not only to try to save the Stein Valley but also to save their culture; the recent progress that has been made with land claim negotiations in the Yukon and Northwest Territories; and efforts by individuals such as Tom Henley who, through his rediscovery program, has attempted, and quite successfully so, to teach again to native youth their roots and their old ways.

Nevertheless, if one looks at the statistics produced by the Canadian Institute of Child Health last year prepared by Denise Avard and Louise Hanvey entitled "The Health of Canada's Children" and looks to the native population you will find some elements which justify the validity of the motion of the member for Nunatsiaq. They also make his motion one of an urgent nature.

For instance, Madam Speaker, if you look at the age composition of the registered native population in relation to the total Canadian population, you find that in 1985 nearly 34 per cent of the native population was less than 14 years of age, that is, slightly over one-third was below the age of 14. That compares with some 22 per cent in Canada as a whole. That means, therefore, that the native youth population is larger by 50 per cent roughly than that of the non-aboriginal population. That in itself is a figure that commands the attention of this House and that of the government.

Turning to page 112 of that study under the heading "Suicide", we come across another set of figures which makes you pause and think. In 1984, the suicide rate for registered native teenagers between the ages of 10 and 19 was about seven times higher than the total Canadian rate. Suicide, as a footnote, is indicated as being of particular importance as a cause of death among young Indian adults.

Madam Speaker, obviously you would know, as would many in this Chamber who are familiar with social studies, that the suicide rate is of course a reflection and indication of the well-being of a culture to which that person belongs. It is not to be considered simply a disease or a temporary aberration. It is a very serious matter when it occurs, even in small percentages. However, here we are talking of a rate that is devastatingly high, namely seven times higher than that of our non-aboriginal population.

I ask myself what is the root of this problem. You are indicating to me, Madam Speaker, that my time is up, therefore we cannot explore the possible answers to this question. I can therefore only stress to you, Madam Speaker, and to receptive members on the government side, the extreme importance and urgency of the motion by my colleague from Nunatsiaq and indicate to you that it would be extremely desirable that this motion be passed and made part of the policy of the Government of Canada because of its crucial and central importance.

• (1710)

Mr. Rod Murphy (Churchill): Madam Speaker, it is a great privilege to rise in the House to speak on this issue. It is not the first time that the member for Churchill has had that opportunity. For a number of years I have risen in this House and talked about the very elements of this motion, the serious unemployment problem that is facing native people, the lack of facilities for education and the lack of real initiatives to provide adequate health care for native Canadians.

I wish to commend the member for moving this motion. It is a very important issue and it is good that this House is addressing it.

This is not a new problem. One of the things that has upset me about the debate in the last five years in this House is to hear Liberal members get up and pretend that the problems that native Canadians face are something new, that they are the result of Conservative government cutbacks, when that is anything but the truth.

We have had over 100 years of neglect of native Canadians. That neglect is coming home to roost. If you go into the communities of northern Manitoba, you see that they do not have water and sewage systems. If you go into some of the schools in those communities you will find holes in the floors. If you go into the nursing stations you will find that at any given time there is a 25 per cent shortfall in the required number of nurses for native communities in northern Manitoba.

That is something which can be found in all the remote areas of Canada. I am sure you will find the same thing in the Kenora—Rainy River riding, in the Territories, in northern Saskatchewan, in northern Quebec, in northern Alberta and in parts of B.C. So it is not an isolated problem. It is a problem that has resulted from years and years of government neglect.

The white paper of Jean Chrétien of almost 20 years ago basically called for assimilation of the native people. It called for a cutback in direct federal government programs to native people so that they would be forced into the white society, forced to accept provincial government programs. The federal government program, the Buffalo Jump of the 1990s, was a restatement of that by the Conservative government of the day.

In this year's federal budget, money is being taken away from national spokesgroups of native people and those groups that have co-ordinated activities among natives such as the northern chiefs in my riding. If you take a look at those cuts you realize that the federal government is again going down the road of restricting the ability of native people to explain their needs to the Canadian population.

There have been years and years of neglect of government programs and now there is a concerted effort by the government to make sure that the native groups cannot get their message across, not only to Parliament but to the Canadian population as a whole.

Let me give you an example of some of the problems that do exist. A study was done of the York Landing School in my riding. An engineer's report was prepared in March of 1988. There are 81 students in three rooms, three grades per room. The school is built of wood with no fire-retardant being added to the wood. Electrical panels are not covered. The fire alarm system does not work. The four-foot hallway between classes is used as a storage room. There is no library. There is no common meeting room. There are tools for a shop but no space to use them. There are no smoke detectors. The fire exit doors are stuck closed. That report was made two years ago. To date, there are no plans for a new school for that community. Each and every day, 81 students go to that school, a fire trap, a facility which should have been closed many years ago. That is not an isolated case. I can give you examples from throughout my riding, as I am sure can others in the House, of schools that are inadequate.

I see one of the former Ministers of Indian Affairs making a hasty retreat from the House. I can understand his need to do so.

Mr. Epp: No, I was just apologizing to the Speaker for the fact that she had to listen to a Manitoban.

Mr. Murphy: Perhaps if the minister had done something when he was the Minister of Indian Affairs, we would not need to have this debate in the House today. The member for Provencher should know of what I am speaking because some of the communities of which I am speaking used to be part of his riding but are now, happily, part of my riding. Unfortunately, when he was the minister, schools were being built with the knowledge that in four or five years those schools would be over-crowded. In other words, there were young children born in those communities who would not have a place in those classrooms by the time they got into kindergarten or Grade 1. That was the deliberate government policy for dealing with the school shortage in native communities across the country.

If you have ever been into a native community and looked at the conditions of housing, you would realize it

is appalling, Madam Speaker. We give money for native housing in remote communities that would not build a decent cabin for people in those northern areas. We expect them to live there with inadequate heating systems. We expect them to live in those communities, knowing full well that there are not proper foundations for their houses. We know the houses will start to rot in five to ten years. And that is what we call a housing program. One of the richest nations calls that an adequate housing program, and minister after minister of Indian Affairs has stood in the House and defended that type of program.

That same neglect and refusal to deal with the real problems can be found in each and every program that the federal government is responsible for with regard to native Canadians. We can talk about education, employment, economic development, medical services, water, and sewage. These are all important to native Canadians and we have a sad history of neglect.

Just this year, the Canadian Human Rights Tribunal again condemned our country for our treatment of native people. Again, we were reminded that a native youth has more chance of going to jail than completing high school; a very sad statistic. We know from other studies that have been made in this nation that our jails have a very high percentage of native Canadians; much higher than the 4 per cent to 5 per cent that they make up of the Canadian population. In many facilities, in areas where the native population is between 5 per cent and 10 per cent of the population, the native population within our criminal institutions is over 50 per cent. In some cases, it is approaching 75 per cent of the total population within those institutions.

Why does that happen? It happens because there is a real system of neglect in this nation. The neglect is continuing. This summer there will be fewer native people taking advantage of federal government programs for job creation because there is less money provided for those communities. One-third of the native youth who used to be employed through federal government programs in the past will be employed this year. That is despite the fact that there is a growing native population. We are taking away their hope and, as long as we take away their hope, we take away their future and we taint our own future.

• (1720)

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, I thank you very much for recognizing me at this point. My colleagues, I am sure, will have other things to say as we go along.

With regard to the topic today, the report of the Special Senate Committee on Youth, tabled in 1986, states: "native Canadians have suffered from injustice for many decades". A separate chapter was devoted to native youth. It was found that unemployment among young natives was alarmingly high, as were pre-marital pregnancies, alcohol and drug abuse, suicide and problems with the law; in fact, more so than with other youth groups in our society. It became apparent that in order to address these problems the entire context of the historical and present status of Canadian native people has to be considered.

One of the basic needs which has to be addressed is health. It is true that our natives are entitled to special health and medical facilities and programs. The very isolation and remoteness of their villages greatly reduces the effectiveness of adequate care. In addition to this, there are often problems of language and a distrust brought about by generations of rejection and struggle.

The problem, of course, is tied to the requirement of adequate nutrition. Isolated areas find it difficult to avail themselves of fresh produce, to name only one element of proper nutrition. The February 1989 issue of *Canadian Family Physician* carried a special feature on the nutritional problems of native Canadian mothers and children. Deficiencies were identified in Vitamin D among toddlers who suffered from rickets. It was noted that fluoride is not present in the water supply of most native groups, thus requiring particular attention in order to prevent dental caries.

Research indicates that expectant mothers show a lack of sufficient intake of calcium and Vitamin D. It stands to reason that, if native expectant mothers are not healthy, babies will not be healthy, and the statistics prove it. Infant mortality rates among the Inuit for the period 1983 to 1985 are much higher than Canadians for almost all categories. Sudden infant death syndrome is an important cause of infant mortality for Indians, Inuit and all Canadians. However, the rates for Indians and Inuit are higher than the Canadian rate. For Indians and Inuit, the post-neonatal death rate is higher than the

neonatal death rate, whereas, for the Canadian population, the reverse is true.

Significant nutritional problems still exist in the native Indian and Inuit population of Canada. Since eating patterns have changed for the natives, as well as for everyone else in Canada, studies show that native adolescents are also prone to eating junk food high in calories, fat and carbohydrates. Here again, an iron deficiency is noted among teenage girls. Changes have been noted during the last four decades in the way native communities nourish themselves. Poverty also plays a big part in the poor nutrition of mothers and children.

Professionals treating natives must be aware of their particular traditions, evolutions and present-day problems. Nutrition counselling must be made available by fully qualified native people whose advice might be more culturally appropriate. At any rate, all professionals should be well versed in the special needs of the native Indians and the Inuit.

It is a sad commentary on Canada that a country as rich as Canada, as the hon. member for Churchill said, sees so many of its citizens suffer because of malnutrition. A healthy body will contribute to a healthy mind. How can we expect under-nourished students to progress, to learn, and to develop to their full potential? Discouraged at an early age, many will succumb to drug and alcohol abuse and, unfortunately, to an early death, whether accidental or by suicide.

A study done for *Canadian Social Trends*, in the 1988 winter issue, indicates that suicide rates in Canada during the 1980s have been the highest in the history of our country. During the last decade, the suicide rate has been about double what it was throughout most of the period from 1921 to 1961—that is 40 years—and all well about previous record highs during the depression of the 1930s.

Sadly, suicide rates are especially high among native people. In 1986, there were 56.3 suicides for every 100,000 native men, almost 2.5 times the rate for all men, which is at 22.5. At the same time the rate for native women, which was 11.8, was almost double the rate for all other women at 6.4. The incidence of suicide is particularly high among young native men. In 1986, there were more than 100 suicides for every 100,000 native men age 15 to 29. What a waste, Madam Speaker. What a waste of potential for our country.

I spoke earlier of the need for good nutrition to ensure a healthy, inquiring mind, and the danger for young native men and women to get discouraged when faced with lack of opportunities with the added burden of ill health. Unfortunately, their despair quite often leads them to worse health through substance abuse.

While detrimental to their health, these abuses invariably lead them to problems with the law, and here again they become part of the very high suicide rate experienced in federal penitentiaries and provincial prisons.

I think the time has come to review in a very special way the needs of our native and Inuit groups. It is time to give them a greater role in their own health and welfare services. It is time to prepare professionals for service and work in remote native and Inuit communities. Improvements to health and medical services do not automatically mean that we limit ourselves to only one area. Rather, I see improving the standards of living for native groups as an attitude encompassing a broad variety of social needs—health, education, social services and transportation. Within these headings the government should look at the related services. For instance, while considering better health services, attention must be given to dental health, nutrition, pre-natal and post-natal services.

The parliamentary Special Committee on Indian Self-Government, which was prepared by Mr. Keith Penner and his committee in 1983, agreed that "—ill health is not an isolated issue that can be resolved with more and better medical facilities. Through the exercise of Indian self-government, Indian people will be able to control the other problems to which ill health is linked—Jurisdiction over such areas as education, child welfare, and health is considered essential. By exercising control over these matters Indian people could ensure future generations are able to preserve and enjoy their culture and heritage".

The issue of native control has received a lot of attention and I realize, Madam Speaker, that planning is ongoing. But in light of the preceding statistics are we not left with the feeling that we must do more, and we must do more quickly?

Last year the Minister of State for Youth tabled a book entitled *Hot–100* in which was listed an interesting array of programs for youth. Among the 100, several were designed for young Indians and Inuit. One in particular, the Indian and Inuit Health Careers Program, offers bursaries for those interested in pursuing a career in the field of health. I believe that this is a very worthy initiative, but maybe we could go a step beyond.

The criteria for the program says the program "will provide bursaries according to need". I would like to add to this that special funds should be put aside for visits to the student's community to relieve loneliness, to keep his or her interest current on local health issues, and to ensure that the students will not get discouraged and abandon their studies.

This is only one idea, Madam Speaker. As I mentioned before, The entire social fabric must be looked at. The entire needs and particular aspirations of the young Indians and Inuit must be taken into consideration.

• (1730)

My colleague from the Northwest Territories was not able to be here today to participate in this debate. I know that if he were here he would lend his voice to all hon. colleagues in this House.

He would be saying to all of us here that we must respond to the needs of our young native people. We must respond now if we are going to have any effect on their future well–being.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I, too, am very pleased to stand in support of the motion of my colleague, the hon. member for Nunatsiaq.

The question that begs to be asked is this. What does it mean to be young, aboriginal and living in Canada today? The government's own documents refer to the economic disparities endured by aboriginal people in Canada. For example, the Canadian Aboriginal Economic Development Strategy released by the government last summer states:

> By all measures of socio–economic disparity, the 600,000 people who identify themselves as aboriginal continue to be the most disadvantaged group within Canadian society. Employment rates among the aboriginal working–age population have been about 45 per cent compared with 63 per cent for the non–aboriginal population. Of those employed, incomes are up to a third lower than levels for employed non–aboriginal people.
>
> Almost 30 per cent of aboriginal individuals aged 15 to 24 have less than a grade 9 education, compared with 7 per cent of their non–aboriginal counterparts. More than 76 per cent have neither completed high school nor pursued post–secondary education, whereas the corresponding percentage for non–aboriginals is 44 per cent.

The social costs of the high unemployment rates, and relatively low educational attainment levels, are enormous.

In the Canadian Human Rights Commission annual report for 1988 it was stated that Canada's treatment of aboriginal peoples is a national tragedy. In its 1989 annual report the commission said it had no reason to alter that judgment.

The government is simply not doing enough. Aboriginal issues should be a priority. A focus on aboriginal youth is critical.

According to the Canadian Aboriginal Economic Development Strategy:

> For at least the next 15 years, the aboriginal share of the young labour force, which is 15 to 34 years of age, will be rising, reaching a level of 50 per cent higher by 1996. Most of this growth will occur in non–urbanized areas. Aboriginal people will account for 57 per cent of the increase in the labour force in northern Canada and 12 per cent in each of Manitoba and Saskatchewan.
>
> For every year in the next five years, more than 5,000 individuals will have to find and keep jobs to achieve a level of 50 per cent employment among young Indian adults living on reserves.

Despite the fact that the government knows that half of the aboriginal population in Canada today is under the age of 25, and that these young people will need jobs, the government has not focused on these needs.

It capped the Indian post–secondary educational assistance program, limiting its accessibility. There is no initiative developed to respond to the serious employment needs of aboriginal youth.

In the area of health, serious inequities continue to exist in the area of aboriginal health. A recent report by the Canadian Institute of Child Health confirms the continuing problems.

The aboriginal mortality rate from injuries and suicides, hospitalizations due to respiratory diseases and pregnancy complications remain much higher than the national average.

Life expectancy is still much lower than for non-aboriginal people.

Aboriginal children born today will live, on average, 68 years. Other Canadian children can expect to live 76 years.

The aboriginal infant mortality rate is double the national average. Aboriginal children have consistently higher death rates due to injuries.

Aboriginal teenagers have a suicide rate seven times higher than that of the Canadian rate.

Tuberculosis and other infectious diseases affect aboriginal people disproportionately.

The government must come to grips with the Third World conditions that face aboriginal people and aboriginal youth in this country.

The aboriginal health, education and unemployment statistics are not acceptable and cannot be tolerated any longer.

The aboriginal people of this country want to contribute. The aboriginal youth want to contribute, but they need a fighting chance.

The circumstances which are currently blocking the opportunities for young aboriginal people have to be addressed as a priority.

That is all the motion the hon. member for Nunatsiaq is requesting. He is asking the government to pay attention to these serious issues. The government will say that it is already doing a lot. Whatever it is doing it is certainly not enough.

The frustration level of young Indian, Inuit and Métis people is rising. Current conditions do not offer them much of a future. Without dramatic changes they can most probably look forward only to unemployment insurance, welfare and an early death.

These young people deserve more from the federal government. We urge this government to respond favourably to the motion of the hon. member for Nunatsiaq.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I am pleased to rise and speak in support of the motion presented by my colleague, the hon. member for Nunatsiaq. The motion states:

Private Members' Business

That, in the opinion of this House, the government should consider developing special initiatives, in consultation with aboriginal peoples, to respond to the serious employment, education and health needs of aboriginal youth.

My relationship with the aboriginal community began about two years ago when I was beginning my campaign in Broadview—Greenwood. Many people would probably be surprised to hear that there are a lot of native people in downtown Toronto. Because of the frustration that native people experience when they are living on the reserves, they come to the city. Inevitably, however, when they are in the city they experience all kinds of rejection and frustration. They do not get proper employment opportunities. Because of that frustration they end up finding themselves out on the street. Social services are overburdened and they do not get the proper care.

It was during this period that I ran into Chief David Youngwolf from the Toronto Urban Indian Council. It was Chief Youngwolf who would tell me repeatedly of the frustrations that his people were having. That was the beginning of my realization that the native community of this country for some mysterious reason has not been looked at and appreciated in the way it should be.

We developed our relationship. Of course Chief Youngwolf's plea to me was this: "We are all going through a period right now where we care about the environment". Native people are really Canada's first environmentalists.

He worked with me for many months as we organized together the First Peoples Summit on the Environment. He brought his people in from all over Ontario. They put on displays and taught the younger children who came to this event from across the metropolitan area how to treat the land, how to work with the land. It was not just Chief Youngwolf, but many of his associates taught the youth the importance of having a healthy environment.

It was at that point in time that I realized that if we really are going to be committed to this environmental movement, we are going to have to treasure the resource of our native peoples.

When I realized this as time went on I went to the Minister of the Environment's book, which is obviously going to be the bible for this government come September. It is called a framework for discussion on the environment, and is entitled: *The Green Plan: A National Challenge*. I looked in the document to see if the minister

had recognized that the real environmentalists of this country are our native peoples.

Sure enough on page 14 I read:

> Today's youth are tomorrow's decision-makers. If they are to play a meaningful role in environmental decision-making and diplomacy, they must develop environmental literacy as well as leadership skills. The Government proposes to take measures to ensure that Canada's youth will have the opportunity to channel their energy and talents toward achieving environmental objectives.

• (1740)

The Minister of the Environment then goes on to state:

> The Government plans to support summer employment, training and career development in environmental conservation and protection, and to support international youth exchanges and conferences. Options include a federal government summer employment program; a private sector co-op program; and a youth conference in preparation for the 1992 UN Conference on Environment and Development in Brazil.
>
> Canada's aboriginal peoples are often the first to experience changes made to the natural environment by human activities. Those changes have sometimes threatened their traditional and close relationship to the land.

I must say that when I read this today I felt like I was reading my colleague's motion. You will see the similarity, Madam Speaker. There are not more than 8 or 10 words missing. The Minister of Environment states further:

> The Government will also consult with aboriginal peoples about other possible initiatives, including measures to support activities of natives that enhance or protect the environment and a special native component of the government's youth employment initiatives.

My colleague's motion was introduced in this House on November 27, 1989. I read that the Minister of the Environment has picked up on this motion. I am happy to see that. We can only hope now that the government will take these words and put them into action.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I am really very pleased to stand to add my voice to that of the member for Nunatsiaq, and all the other colleagues in the House who have spoken to the issue of his motion which reads:

> That, in the opinion of this House, the government should consider developing specific initiatives, in consultation with aboriginal peoples, to respond to the serious employment, education and health needs of aboriginal youth.

I think my colleagues have pointed out the serious situation that the aboriginal youth across this land find themselves in. Of course there are no magic solutions. It will take time.

There is no question that there must be a forward-looking strategy. We must look at the kinds of issues that are ahead and ask ourselves: "Before we move to cut a program in this area, what are we doing to the lifestyle and to the future of the youth who are involved?"

It is really quite regrettable that with the challenges facing our young people in general, and our aboriginal youth in particular, that the government has chosen to cut community support programs that have often eased the struggle through these very difficult times. It has cut very important support mechanisms that we had built up in this country over many years which had helped the day to day realities of our aboriginal youth.

Far from enough, statistics indicate that we have done too little. Yet the little we have done has been cut. Once again, the government, unfortunately, has seen bottom line deficit reduction as the only yardstick of measure when looking out at society. If it had a constructive view of how to move forward, particularly in the area of our aboriginal youth who have serious educational and health problems, as well as serious problems with drugs and alcohol abuse, and in terms of the numbers in our jail system, I think the government would see that this is one area where we can ill afford to cut any funding or services.

I would say that I have been very privileged. I have attended the three First Minister's Conferences on Aboriginal Rights. I have seen outstanding leadership from the aboriginal communities, negotiating with the government in an effort to move forward their land claims concerns, to move forward their interest in picking up their society and their community and becoming more constructive and helpful in helping their own communities help themselves.

Those were very interesting but very frustrating conferences for aboriginal peoples. I appreciate their concern and their frustration in that regard.

I also sat on the legislative committee concerning Bill C-31 which looked at amendments to the Indian Act. It was very important at that time that we gave to Indian women equality of rights, the rights that their brothers and fathers enjoyed. I remember the argument in this House as we moved for assurances that money would be given for educational institutions when women and their children moved back on reserves. We sought assurances that more schools and homes would be built. In that way, their children would be assured of a better future. We all know that education is synonymous with an improvement of options and job skills training and an improvement in the future life of our children.

The statistics concerning youth in the aboriginal community are quite shocking. In that regard I would recommend to any one of my colleagues or people who are interested in the particular issue of the aboriginal peoples the speech of the hon. member for Nunatsiaq as reported in the House of Commons *Hansard*, Volume 131, No. 100, Second Session of the Thirty-Fourth Parliament of Monday, November 27, 1989. This is a subject that should interest us because the aboriginal people are the founding peoples of this country. Of any in our society, they are the distinct society. I think that this government has forgotten to include them in its major priorities.

The hon. member's speech is a most interesting, informative and somewhat sad critique of the way we have handled our responsibility as Canadians and as parliamentarians with regard to the place, role and importance of the Inuit and Indian people in the life of our country.

I would remind you as well, Madam Speaker, of when the annual report of the Canadian Human Rights Commission made those newspaper headlines with its grim statement: "An Indian youngster in Canada has a better chance of being sent to prison than of completing university". That is a statement that gives us food for serious thought and very serious concern.

In my critique portfolio of communications, one of most serious of the cuts comes to mind. I do not have to tell this House the importance of the communications media and how essential they are to the preservation of the cultural heritage of Canada's aboriginal peoples.

Broadcasting policy by itself, I acknowledge, will not ensure the survival of native language and native culture. But it can play a key role in helping to mitigate the threats that are commonly felt and the pressures that exist in a society. It can ensure a sense of belonging and participation. It can enhance that sense of roots that make people feel that they belong to a society and are reflected in that society.

That has an important role to play in the mental health and the well-being which comes with feeling that you have some knowledge of self, some place in your society, and that you are respected for the values that you have, as well as for the values that are promoted when one's image and one's place is acknowledged.

I believe —and that was certainly the view of the aboriginal leaders across this land—that the cuts put in place through the Secretary of State were unconscionable.

One of the things that I recall was that the then Secretary of State, the hon. member for Roberval, said: "It is particularly important that native people have access to communications, giving the aboriginal perspective during a time when such issues as self-government, aboriginal title and equality rights are being debated".

What did the government then do under the new Secretary of State, the hon. member for Pierrefonds—Dollard?

• (1750)

The Secretary of State cut the lines of communication to the people in their own language and in the manner which is important to the sense of importance and identity in terms of Inuit culture. I would say that the social culture and economic disaster that is brought about by the cuts to the native programs is totally unconscionable.

The CBC and native groups had begun to provide opportunities for aboriginal peoples to broadcast in their own languages. This came about, I would remind the House, through the establishment of the Northern Native Access Program in 1983, which provided support funds to stimulate the production of native language, radio and television programs. Outstanding programs have been produced.

When I was in Iqaluit I visited the Inuit Broadcasting Corporation. I saw incredible and creative programming. That is being cut.

All their newspapers are being cut.

If I had time I would list the areas of cuts that have left this native community in shock. I sincerely hope that serious reconsideration will be undertaken. The minister evidently set up a private task force, a hidden task force. Let him bring that task force report out into the open. It commenced at the beginning of March. Let him reinstate these programs which are fundamental to the well-being, both mentally and physically, of these societies.

I urge the government to reconsider its attacks against the native communications system which is key to their survival in their own society as well as to integrating them into the larger society, one which we then can appreciate as well.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I wanted to say a few words but I did not want to do so without first determining whether I would be in that case preventing another member from speaking. But seeing no one else rise I want to take only three or four minutes before we adjourn to say a few words on this very important issue.

Madam Speaker, you know that I represent the native community of Cornwall Island, the Aquasasne Community No. 59, which is located in the great constituency of Glengarry—Prescott—Russell. I thought I would take a moment to bring a few issues to the attention of the House in relation to the motion that was placed before us by our colleague from Nunatsiaq who moved the very constructive motion which states that the government should consider developing special initiatives, in consultation with aboriginal people, to respond to serious employment, education and health needs of aboriginal youth.

What is important in this motion, apart from everything else, are the words "in consultation with". The reason why I say that is because there is too much of what my colleague from Nunatsiaq has referred to as "big brotherism". That means that someone here in Ottawa designs programs for natives, as if all native Canadians live in similar conditions on reservations that are similar to one another and that they are all in climatic conditions which are similar to one another.

Of course, a native Canadian living in Tuktoyaktuk does not experience very many conditions that are similar to those natives living in the constituency of Glengarry—Prescott—Russell on Cornwall Island. That is important for all of us to remember.

I hope that through whatever program the government establishes, once we adopt the motion that is before us today, hopefully, we will ensure that we have this good and appropriate consultation, not just at the regional and national level with native Canadians, although we need that too but, indeed, at the local level so that programs are designed in such a way as to accommodate the various situations right across the country under which many of our native citizens live.

Needless to say, I have identified that a native Canadian living in the constituency of Glengarry—Prescott—Russell lives under very different climatic and other conditions than others do in certain other areas. But the social conditions and so on are very different as well.

We know of course that that particular community is located roughly one-quarter within the province of Quebec, one-quarter in the province of Ontario and one-half in the United States of America.

If you can, picture the following situation, Madam Speaker. Imagine that you are a citizen of that community and you travel between St. Regis, Quebec and Hogansburg, New York, and there are no Customs. If you travel between one country and the other there are no Customs duties, no Customs officers—no Customs anything.

On the other hand, if you live in another part of the same community on Cornwall Island and you go from there to Massena, New York, then there are Customs officers. That would be the same situation, Madam Speaker, if you were to leave Centre Block to go to the West Block and there were Customs, and there were no Customs if you went to the East Block and the East Block and the West Block were in the same country.

That is totally illogical in terms of conditions that people have to live under. It is only one element of conditions that my constituents live under which would appear to many of us as being not only very peculiar but in some cases nonsensical.

It creates various situations. We know that there is a problem with the illegal smuggling of goods through the reserve from the United States to Canada going through the American and the Canadian side of that community. That of course is most unfortunate. The Grand Chief of the Aquasasne reserve on the Canadian side has done his best and so has his council to eradicate this problem,

but it is very difficult. It is very difficult when you look at the high unemployment and the attractiveness that some might see in making a quick dollar that is otherwise not available.

When there are so few opportunities for those people one can see how some people could unfortunately be attracted to living off the avails of this kind of activity. It does not make it appropriate of course, and obviously the chiefs are very concerned and they are doing their best to stop it.

If we want to give other opportunities to those young people in Aquasasne, and elsewhere for that matter, we have to provide the necessary funding for a better education and better conditions.

It is my hope that we will adopt this motion today. I will leave enough time for us to be able to vote on this item.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

GOODS AND SERVICES TAX

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I am standing here in the House today because a few weeks ago because I was not satisfied with a response to a question on veterinary services, the GST and how it would affect veterinarians.

The Canadian Veterinary Medical Association and the Canadian Animal Health Institute both state that the proposed goods and services tax will have a drastic effect on veterinary services. In fact the firm of Deloitte and Touche on behalf of the CVMA studied the possible effects of the proposed GST on veterinary services and proved that small animal practices will face an increase in operational costs of more than 6 per cent. In some instances, due to administrative costs and cash flow problems, consumers may face up to a 12 per cent increase in veterinary care and drugs.

• (1800)

Because of these increased costs and cash flow problems, consumers may face up to a 12 per cent increase in veterinary care and drugs. Because of these increased costs, animal control programs will face a dramatic setback since spaying and neutering of small animals will inevitably decrease dramatically. Furthermore, we will see a decrease in health care provided to small animals, since consumers will not want to cover the increase in costs. This can have a drastic impact on not only the health of small animals, but also on humans because animals are carriers of many diseases that can be transmitted to man.

More than 50 per cent of Canadians have cats, dogs or other pets. Even if someone does not have a cat or a dog, one might be exposed to diseases such as rabies. One could be exposed to toxoplasmosis, which is transmitted through meat and cats and causes birth defects to the human foetus. One could be exposed to psittacosis, which is transmitted by birds and which can cause fatal meningitis. Therefore, the need to protect Canadians against parasites, fungi, mange, et cetera is essential, and an increase in the cost of veterinary services and drugs could deter many Canadians from making sure their pet is protected.

When I asked the Minister of State for Finance how his government could possibly justify putting the health of animals, and ultimately humans at risk, his response was: "The inputs presently paid by the veterinarians will no longer be paid after the GST is implemented. This will constitute a considerable diminution of the prices." This was said by the minister.

The CVMA and the CAHI both disagree with the minister's statement. In fact, Deloitte and Touche's study states that veterinarians presently pay the federal sales tax and also the telecommunication and program-

ming services tax, at a rate of 11 per cent. Deloitte and Touche point out: "However, the removal of these two taxes will reduce the costs of operating veterinary clinics only marginally." This reduction in cost is estimated at less than 1 per cent.

Thus the minister is wrong. He is misleading Canadians. If the minister still stands by his statement, then where are his studies? Why not table them in this House?

The Deloitte and Touche report went on to state that there is no doubt that the costs of veterinary services and animal drugs to pet owners will increase under the GST as much as 12 per cent.

On a larger scale, veterinary services are essential to dairy and beef cattle breeders who have to resort to these services in order to keep their animals healthy and to protect them from contagious diseases. If this government taxes these services, it risks taxing the quality of food.

Veterinary services are essential to human health because in Canada there are veterinary inspection services in over 500 slaughterhouses and in food processing plants. As Mrs. Christiane Gagnon, President of the CVMA, told the finance committee last October, food such as pork, poultry, beef and eggs are checked by veterinarians, thereby ensuring the quality of safety of the food that we consume. Therefore, taxing those services boils down to taxing Canadian health.

In an August 1989 GST technical paper, the government stated that all health care services funded, in whole or in part, by health insurance plans in two or more provinces will be exempt under the GST. Even though governments in more than six provinces have established an animal health insurance plan, therefore meeting the stated criterion, the government has decided to overlook these facts.

Veterinary medicine is a medical profession and provides essential services to Canadians. Provincial governments and the federal government, have consistently recognized that animal health is essential to the health and well-being of all Canadians.

Furthermore, as I pointed out in my question to the minister, veterinary drug manufacturers were literally forced into complying with the Patent Act under which the whole pharmaceutical industry is regulated and under which no differentiation is made between human and veterinary pharmaceuticals. Nor has there been any difference made between the two under the Excise Tax Act or under the Food and Drugs Act.

Now, under the proposed GST, human pharmaceuticals are zero rated while veterinary ones will be taxed, another prime example of this government's willingness to contradict itself over money. The CVMA points out that the inclusion of GST on veterinary pharmaceuticals will increase the costs of providing human health care and food products to the Canadian public as well as to the animal health care.

• (1805)

There will be both a direct and an indirect impact. Regardless of the fact that farmers can apply for refunds, they will be burdened with an increase in administration and financing costs. They could also experience increased product costs as manufacturers, distributors and veterinarians pass on their increased administrative or GST costs, through price increases.

The equal treatment of veterinary and human pharmaceuticals would ensure that price differentiation, due to the GST, would not promote the use of human pharmaceuticals and that adequate research and development continues on veterinary medicines.

The Canadian Animal Health Institute believes that the level of animal health care impacts directly on the level of human health care. Therefore, the differentiation of human and veterinary pharmaceuticals compromises the health of Canadians.

In conclusion, the statements made by the minister in reference to my question were unacceptable. The Canadian Veterinarians Medical Association, the Canadian Animal Health Institute and Deloitte and Touche have all refuted what the minister said in this House. They also refute comments by the member for Perth—Wellington—Waterloo.

When will the government listen to Canadians and scrap this unfair tax? Not only is the government grabbing money from Canadians, it is also risking the health of both animals and humans to do so. It is not too late to stop this madness and to scrap this tax grab.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I want to point out that, unlike the existing federal sales tax which applies to only one-third of all goods and services consumed in Canada, the GST will apply to most goods and services. This means that sectors across the economy will be treated more equitably, and that consumer

decisions will not be distorted as they are by the current system.

Consistent with this principle, veterinary pharmaceuticals will be subject to the GST. However, under the new system, all vendors of goods and services who charge GST on their sales will be entitled to claim a credit for GST paid on their businesses and inputs, that is, the goods and services acquired for the purpose of conducting their businesses.

Vendors of zero rated goods and services will not charge tax on their sales, but will be allowed to claim full input tax credits. In both cases, only the difference between total GST charged on sales and total GST paid on business inputs, will be remitted to the federal government. Moreover, when GST on purchases exceeds GST on sales, in the event, for example, of a large capital purchase, the difference will be refunded.

As a result of this approach, veterinary pharmaceuticals acquired by farmers and other commercial users will not be subject to the tax. This is because the GST they pay will be fully recoverable as input tax credits. Consequently the GST treatment of most veterinary pharmaceuticals will be effectively identical to that afforded prescription drugs for human consumption.

THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, I rise to pursue several questions I have placed in the House concerning the court decision on the Oldman River Dam, but more broadly, on the implications of that decision and the ability of the government to exercise some genuine leadership and control over the environmental degradation of Canada's natural resources.

It is more than six weeks since that decision came down from the courts. It was a very strong decision. It made it quite clear that the federal government has not only the right but the responsibility to carry out a full environmental assessment of any project which impacts on an area of federal responsibility. It is unfortunate that it was not the Government of Canada that went to court seeking clarification of that right and that responsibility, and was testing the strength of its legislation to determine how far it could go in meeting the new imperative of Canadians to protect their own health and the health of their environment, through government action and government leadership. It was not in this case and the case of the Rafferty–Alameda Dam. It was private, independent, non-profit organizations that chose to stand up and fight for what the government refused to fight. It was a decision I thought the government and the minister would welcome as a green light to assume full responsibility for promises made to Canadians, and indeed to the world, at numerous international conferences, through protocols and press conferences. That is not what is happening.

• (1810)

The court stated very clearly and directly that the Minister of Fisheries shall carry out an environmental assessment, that the Minister of Transport shall carry out an environmental assessment. The federal permit to proceed with this project is cancelled. The government has chosen not to act on any one of those very direct orders from the court. It has chosen for over six weeks to answer repeatedly in this House that it is thinking about it. It is considering the implications and suggests that opposition members who raise the issue really do not understand the implications. Of course we understand the implications.

The first implication we understand is the contradiction between the words and actions of the government, which on the one hand states that it wants to act on the environment, but on the other hand not only fails to act, but refuses to act.

The government has several other challenges before it on which to take action. One of these is on the Point Aconi power plant in Nova Scotia. Again, it has been aware for some time of serious problems to the environment arising from this plant. It has simply sat back and let the process take its course. It has exercised no leadership on behalf of the people of Canada or on international commitments made on behalf of Canada to set targets for the reduction of emissions into the atmosphere.

The government has let the project go to the eleventh hour. It has allowed large amounts of money to be spent on preparing the project. It has not done what the legislation and the order in council states it must do, that

is, carry out an environmental assessment early in the project, so it will know the environmental impacts and any mitigating measures can be taken. Once the project is approved, the design need not be changed, the project need not be interrupted and millions of dollars of investment need not be disturbed because work the federal government should have done in the first place was not done.

We face projects right across the country which clearly impact on federal responsibility. The government will have to decide to act. In Point Aconi, there is a request from the Coalition on Acid Rain for an environmental assessment. Will the government do as it did at the Oldman Dam and the Rafferty–Alameda Dam and refuse to carry out an environmental assessment which the order in council under that legislation mandates and, in fact, directs it to do? If it does, it is simply abandoning its responsibility.

It is now nearly two years into the discussion around the Carmanah Valley. The government has taken absolutely no action to examine the environmental asset of Carmanah, to determine what can and should happen to that environment in order to protect not only a unique Canadian resource, but in fact a unique world resource.

We hear the government talking about introducing its environmental assessment review legislation within a matter of weeks. I wonder how much effect that legislation will have, however weak or strong it may be, if the government refuses to implement a direct order of the courts to carry out environmental assessment. Will it in fact even obey whatever legislation it brings in? If it refuses to use the environmental tools now at its disposal, what hope is there that a new piece of legislation will make any difference? If the Minister of Transportation sits in the House as he did today and refuses to account for why he is allowing the project to go ahead without the federal permit that it legally requires under an act that is under his jurisdiction, then what hope do we have that environmental assessment review legislation will have any affect?

• (1815)

The minister knows perfectly well that a federal permit was issued for the dam to proceed and that that permit has now been cancelled. For six weeks now that project has been proceeding illegally. Once again we are relying on private non-profit organizations to hold bazaars and fund-raisers to go to court to defend the laws of the land and not the Government of Canada. Yet the minister continues to ignore an illegal act.

If the minister is concerned about the safety of the project he has every opportunity to make public, as the environmental assessment review process requires, the safety implications. He has chosen not to do that so the public and members of the House can only question whether indeed, and what indeed, the safety factors are that allow and encourage him to over-ride the law of the land.

If he is concerned about safety factors he has the mandate under the act to determine how and under what conditions to meet those safety factors, He might issue a permit for the project. He has chosen not to do that because that, too, would be subject to public scrutiny.

We had the recent announcement of *The Green Plan*. *The Green Plan* was full of questions that I thought were answered a long time ago. The Prime Minister and other ministers of the government had this great Montreal–Toronto conference and agreed to a 20 per cent reduction. However, that is not what is happening.

I simply call on the government to answer these questions for members of parliament and for the public. Are you serious about the environment or not?

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Madam Speaker, the hon. member raised a number of questions about the way the present government deals with its environmental responsibilities, and I would like to give a specific example to demonstrate that this government's activities are sensible and consistent. The Great Whale River project is a case in point. As you know, there is a serious problem, but for several months we have been talking to the Quebec government about ways of harmonizing this environmental review, since the project is subject to the environmental review requirements of both government.

Furthermore, considering the rights and privileges conferred under the James Bay and Northern Quebec Agreement on the Cree and Inuit people who live in this region, we intend to associate them directly with any process that will be put in place.

I must admit that we are currently up against some major obstacles to developing a completely integrated review process. The process itself must be independent and rigourous to be credible, a requirement that is difficult to reconcile with Quebec's exclusive jurisdiction over the project itself and with a project schedule that leaves little time for completing the required studies and reviews.

Nevertheless, recent Federal Court decisions leave us no choice. In fact, in addition to our own desire to apply sound environmental planning to the Great Whale River project, the Federal Court has handed down decisions that affect federal areas of jurisdiction involved in this project. Recent judgments in the Rafferty–Alameda and Oldman River cases stated that the court order on the guidelines for the federal environmental assessment and review process has force of law.

The court stated that a project is subject to public review under the guidelines whenever the federal government has decision–making power over environmental impact deemed to be non–minimal.

• (1820)

The court also emphasized the arm's length character of a public review board and the need for informing the public and providing the means for the public to participate and make its views knows in the course of the process.

The project is already subject to environmental assessment under the provincial processes provided by the agreement. The question arises whether these processes would not suffice. However, the emphasis on public participation and on the independence of review boards created under the federal order does not appear in the James Bay Agreement. Consequently, the Federal Court's decisions would seem to limit the possibility of using the agreement's processes while observing the requirements of the court order. If we want to meet the requirements of the order, we will have to set up a separate board, created under the order, or persuade the other parties to the agreement to accept a joint assessment process that maintains the essential elements of the order.

Our room to manoeuvre has shrunk considerably in recent months. This partly explains why it took so long to set up the requisite mechanisms, since we want to respect Quebec's requirements and harmonize existing processess in order to avoid duplication and be as effective as possible. However, we will have to do so in a way that is consistent with recent judgments by the Court.

If we are unable to reach some kind of agreement with Quebec, we will have to create an environmental assessment board under the federal order. The board would consider the concerns of Native people in relation to the Great Whale River project. In fact, we are convinced the Federal Court will force us to do so if we fail to meet our obligations under the court order on the guidelines.

In concluding, I repeat it is our intention to protect the environment of Arctic Quebec as well as the way of life and the rights of the Native people concerned, while respecting the legitimate desire of the Quebec government to develop responsibly its natural resources.

Madam Speaker, that was a good example of how the government and the Minister of the Environment see their responsibility with respect to environmental projects.

[*English*]

REGIONAL DEVELOPMENT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, on April 6 in response to a question I raised concerning the impact upon the province of Prince Edward Island of changes the federal government has undertaken in its equalization payments which will cost the province some $18 million, the Minister of State for Finance told the House that:

> The record of this government stands for what we think about the poorer regions of Canada.

What has that record been? In terms of assisting the Atlantic fishery on December 13 of last year and again on January 22 of this year, the Prime Minister made some very specific commitments to Atlantic Canadians:

> I have already indicated to my right honourable friend that the government of Canada will act in respect of the Atlantic fishery with

exactly the same kind of generosity and enthusiasms that we brought to resolving the problems of the prairie farmer.

That commitment was repeated on January 22 of this year. However, here is what the Minister of Fisheries told an audience of fishing industry representatives in Halifax on April 19 of this year. He said:

> We are developing an adjustment, not an aid package for Atlantic Canada.

It is clear that Atlantic Canadians have been misled by this government. There is no aid package which will help communities to weather this crisis. The only thing the federal government intends to do is to provide Atlantic Canadians who have relied upon the fishery for generations a bus ticket to Toronto.

In two recent reports prepared by the Canada Employment and Immigration Advisory Council, a group which reports to the Minister of Employment, the impact of the government's policies toward Atlantic Canada were criticized.

In December of last year the council released a report on regional unemployment in Canada in which it stated:

> For many regions, the recession and its debilitating effects on individuals and communities is continuing to persist and some regions are still struggling to regain their pre-1981 levels of employment.

Later the council indicated that:

> Among those involved with the problems currently being experienced in some regions, there is concern that Canada may actually be evolving into a two-tiered society—the prosperous industrial heartland and the depressed outer regions.

It should be kept in mind that this was a report written by an advisory council appointed by the federal government and is reporting on the situation it has found to exist five years after the Conservative government has been in office.

Contained in the same report is an assessment of the federal budget of April 1989 and the same comments with regards to cuts in the budget of 1990. That report states:

> It appears certain that major negative effects will be experienced in some regions as a result of the following federal decisions: cut-backs in regional development funding, commitments for business development, forestry agreements, mineral exploration, transportation infrastructure, and oil industry megaprojects, reductions in the growth of transfer payments to provinces for health, social welfare and education, changes to the UI program, closures of Canadian Forces bases, and lower subsidies for VIA Rail.

The Minister of State for Finance also told the House: "The unemployment statistics are the lowest they have been since 1981".

Again, the Advisory Council to the Minister of Employment stated:

> "As far back as 1977 the Economic Council of Canada stated that 'Unemployment in some areas of Canada continues to be a national disgrace.' Now 12 years later, this situation has not improved. In fact, it has become worse in many regions".

On March 28, 1990, the council issued a policy paper on the Atlantic fishery and the crisis which the collapse of much of it means. It stated:

> Hundreds of Atlantic communities will lose their only industry. Predominantly in Newfoundland, there are few other jobs in these isolated settlements. Thousands of families, left without adequate incomes, will be forced to rely on welfare, or to uproot their lives for the dubious promise of mainland wealth.

The Minister of State for Finance said the record stands for what the federal government thinks of the poorer regions. It is obvious the government does not think very highly of those regions.

And what of the future? The Minister of Fisheries believes the best way to save the fishery is to destroy the lives and communities of many of those involved with it. Again, here is what the advisory council to the federal government says with respect to this attitude:

> The unimaginative solution to over capacity and excess labour supply is to eliminate it. Reduce harvesting and processing capacity, and allow/force workers to move away. Additionally the cliché of diversification is trotted out as the ultimate solution. The result of these solutions would be the disintegration of the fishing industrial structure, especially in economically non-diversified areas, with chronic unemployment and the turning of many fishing communities into ghost towns".

Considering the vital importance the fishery has to the economic viability of the entire Atlantic region, how the federal government responds to this crisis will determine the future of the region.

If the indications given by the Minister of Fisheries in his Halifax speech are reflected in government initiatives, the future of many Atlantic communities and countless families will be placed in jeopardy.

Madam Speaker, in closing I have four brief suggestions that the government might follow to effectively deal with the problem of the Atlantic fishery and in fact would be a solution to put people first. This would resolve the problems faced by those who presently live in Newfoundland and who wish to. First, the federal government could begin to bring forth proposals to take control over the area of the nose and tail of the Grand Bank and the Flemish cap slightly outside the 200 mile limit.

Second, given the current crisis in the Atlantic fishery, they could intervene to ensure that a community based quota structure be put in place, even if only on a temporary basis to ensure that the fishing communities presently involved in the fishery can survive.

Third, the federal government must begin to enforce or take seriously its responsibility for the management of the fisheries and accept the financial responsibility of in fact mismanaging that resource over the last years and provide financial assistance to help people and communities survive the present storm.

Last, they might undertake in consultation with the industry and representatives of the workers a full environmental impact assessment of the technology presently used in both the deep-sea and mid-shore fishery with a view to seeking an effective determination of what is necessary to ensure sustainable development.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the federal government has been providing strong and growing support to the financially weaker provinces through regional assistance.

In the case of equalization, entitlements have increased by over $3 billion in the past five years from $5.1 billion in 1985-86 to an estimated $8.2 billion in 1990-91.

These increases have occurred in every single year. In 1986-87 there was an increase of $632 million or 12.3 per cent; in 1987-88 an increase of $813 million or 14.1 per cent; in 1988-89, $661 million or 10 per cent; in 1989-90, $511 million or 7 per cent; and in 1990-91, $449 million or 5.8 per cent.

These increases have been substantially higher than those for federal program spending as a whole and strong increases have applied to all provinces.

Prince Edward Island provides a typical example of the pattern of increases with its entitlements having increased from $134 million in 1985-86 to $203 million in 1990-91. The annual increases to this province have been $4 million, $15 million, $15 million, $15 million and $11 million for this five-year period. These are not cuts. What does happen for any given year is that successive estimates of entitlements are made and sometimes a province's entitlement for a given year will be lower than in the previous estimate for that year.

This happened for some provinces in the case of recent estimates carried out in March and covering a period of four years from 1987-88 to 1990-91.

The important thing to note is that on a year over year basis there was not a single province that had a reduction in this entitlement during the four-year period. The year over year growth rates were in almost all cases about 5 per cent and in many instances well above this level.

We would also like to refer to federal spending on regional development. This includes expenditures funded through the new regional development agencies, the regional program activities of industry, science and technology and the expenditures of other departments under federal-provincial regional development agreements. This has also increased strongly under the present government, thus average annual expenditures for these programs or their predecessors have increased from $558 million for the period from 1979-80 to 1983-84, to $832 million from 1984-85 to 1988-89 and to $1.107 billion from 1989-90 to 1994-95.

The Atlantic provinces' share of these totals increased throughout this time frame from 33 per cent for the first period to 34 per cent for the second period to an estimated 38 per cent for the last period.

These and many other examples all illustrate the high priority given by this government to the needy provinces.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

The House adjourned at 6.32 p.m.

HOUSE OF COMMONS

Wednesday, April 25, 1990

The House met at 2 p.m.

Prayers

[*Translation*]

50TH ANNIVERSARY OF WOMEN'S RIGHT TO VOTE IN QUEBEC

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, 50 years ago today, on April 25, 1940, the Quebec Legislature passed a bill giving women the right to vote.

This marked the end of a struggle that lasted nearly a century, to obtain a right that is absolutely fundamental in a democracy, the right to universal suffrage.

We owe this victory to the many women who, although they remained unknown, worked unselfishly to further the cause, each in her own time and her own environment.

We also owe this victory to famous figures like Thérèse Casgrain and Lady Drummond, a francophone and an anglophone who together not only worked for women's suffrage but were also genuine political organizers, dedicated, energetic and persevering. I also want to mention Mrs Gérin-Lajoie and Mrs Walter Lyman, co-chairwomen of the Canadian alliance for women's suffrage in Quebec.

Mr. Speaker, with all my colleagues in this House, I wish to pay tribute today to all those women, the unknown and the famous, who were part of the struggle for women's suffrage.

[*English*]

Now, 50 years later, Quebec enjoys a pluralistic society in which women of all races, language, creeds and colour can fully participate in the democratic life of our community.

The right to vote has been won. Full rights to equality of opportunity remains the challenge.

PEACEKEEPING

Mr. Stan Wilbee (Delta): Mr. Speaker, during a recent Interparliamentary Union trip to Cyprus, the Canadian delegation had the opportunity to visit the Canadian peacekeeping contingent on that divided island.

The commanding officer of the whole UN peacekeeping force is the highly-regarded Canadian, General Milner. The 575-man Canadian contingent is made up primarily of the Princess Patricia Regiment, with some reservists as supplementals.

Everywhere we went on the island the Canadian forces were praised for their competence, fairness and co-operation, as well as for the excellent humanitarian work they are doing with both Greek and Turkish civilian populations.

We as Canadians can be very proud of our troops in Cyprus as an example of international peacekeeping at its best. We wish General Milner, Colonel Sutherland and the troops good health, safety and a successful mission.

* * *

[*Translation*]

ARMENIAN COMMUNITY

Ms. Nicole Roy-Arcelin (Ahuntsic): Mr. Speaker, Canada has among other countries a reputation for tolerance and freedom.

Our country has been considerably enriched by the contributions of hundreds of thousands of immigrants. Among these immigrants, thousands of Armenians have found refuge in this country. Their dedication and unwavering loyalty have enriched the Canadian mosaic. The Armenian community's contribution to Canadian life is reflected in the churches, schools and cultural centres it has built across this country. In addition, they have made a major contribution to the arts, architecture, literature, photography, business, industry, law, public administration and education.

Yesterday was a memorable day for all our fellow citizens of Armenian origin, and especially in the riding of Ahuntsic.

Mr. Speaker, with Canadians across this country I want to say that the terrible events of the past of this valiant and courageous people must not be forgotten.

* * *

[*English*]

SOCIAL PROGRAMS

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, the federal government is abandoning its moral and legal authority to lead the country on social policy; and it is forcing provinces to go it alone. This will result in greater regional inequality.

For example, the reaction from B.C. to the cap on the Canada Assistance Program has been to have the Public Gaming Branch speculate that the government controlled slot machines could raise as much as $120 million a year—enough to offset the loss of federal transfer payments.

The Socreds have even gone so far as to consider putting its own cap on, a cap on the amounts of money now earned by non-profit organizations that use casinos and bingos for raising money.

The Ontario Liberal government has reacted in its budget to the Tories' abandoned leadership by making it clear it cannot and will not revamp its welfare system as planned.

In addition, the Liberals in Ontario will be putting more emphasis on a shift to user-pay programming.

The mean-spirited Tory agenda is not an attack on the deficit, but an attack on the poor.

* * *

• (1410)

[*Translation*]

MEMBER FOR YORK SOUTH—WESTON

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, I must strongly denounce the unworthy accusations and attitude of the member for York South—Weston, who called those who favour sovereignty for Quebec traitors and racists.

Should the hon. member for York South—Weston not have made the same remarks about those who, like APEC, promote a unilingual English Canada, or the hold-out premiers whose attitudes will lead to the weakening or disappearance of Canada in the Meech Lake affair?

The Liberal member for York South—Weston should have understood and recognized that Quebec separatists used to be great Canadians, until they were deprived of their rights, of a bilingual Canada and a strong Quebec.

In short, this Liberal member should have foreseen the dramatic effects his statements would have on all the other Quebecers who had until then been seeking a new Canada but who can no longer believe in it. Alas, this Chrétien hack has sabotaged his own country which he claims to be virtuously defending!

Who is the real traitor, Mr. Speaker?

* * *

[*English*]

MONCTON

Mr. George S. Rideout (Moncton): Mr. Speaker, I rise today to congratulate the citizens of Moncton as the city celebrates its 100th birthday as a city.

The city was granted its Charter on April 23, 1890. April 23, 1990 was a special day—from the Citizenship Court swearing in of new Canadians, followed by students participating in the historical review "One Hundred Steps", to later in the day when Moncton City Council and Premier Frank McKenna went through a light-hearted re-enactment of the original granting of the Charter.

Moncton certainly lived up to its unofficial motto: "The City to Watch".

[*Translation*]

The history of Moncton is very varied. We have had shipbuilding, railways and now high technology. Our city is solidly built on two cultures. We are a microcosm of Canada.

[*English*]

My father and I both were mayors of the city of Moncton and, as all Monctonians, proud of its accomplishments. Happy Birthday, Moncton.

[*Translation*]

50TH ANNIVERSARY OF WOMEN'S RIGHT TO VOTE IN QUEBEC

Ms. Audrey McLaughlin (Yukon): In a show of solidarity with all women in Quebec, Mr. Speaker, I want to point out that today marks the 50th anniversary of their right to vote in provincial elections.

It was after constant and unrelenting struggles that, on April 25, 1940, pioneers like Marie Gérin-Lajoie, Thérèse Casgrain and Idola St-Jean were successful in having the Quebec legislature acknowledge their right to equality in chosing their elected representatives, men or women.

In difficult times, these women paved the way for what has now become an irreversible movement towards full equality. Today's feminists owe them a lot.

* * *

CANADA POST

Mr. Gaby Larrivée (Joliette): Mr. Speaker, pursuant to their service reliability program, Canada Post management made a public commitment in 1987 that they would guarantee regular delivery of standard letters properly addressed between major urban centres within the following time frames: two working days for letters sent within the same urban centre; three working days for letters to another major urban centre in the same province; and four working days to a major urban centre in another province.

The Ernst and Young report tabled yesterday and based on a survey of more than 50,000 items mailed during the first three months of the year indicates a service performance averaging 97 per cent of set objectives. Specifically, the Sherbrooke and Quebec City regions recorded 99 per cent, Montreal, Laval and Longueuil 98 per cent, and Winnipeg, Regina and Saskatoon 99 per cent.

Mr. Speaker, Canada Post and all its employees are to be commended for their outstanding service to the Canadian people.

An Hon. Member: Hurrah for Canada Post!

[*English*]

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, with the advent of the spring lobster fishery in Nova Scotia, lobster fishermen in Nova Scotia and in the Gulf are nervous about their chances to survive another year.

As a result of lobster size regulations recently enacted by the United States Congress, prices have plummeted, falling to $2.50 a pound in southern Nova Scotia, well below last year's price of $4.50. Some industry observers think Gulf prices may soon fall below $2.

Yesterday's leak of the preliminary judgment by the binational free trade panel looking into the size regulations will no doubt put even more downward pressure on prices at the start of the season.

This is potentially disastrous. It will cost lobster fishermen untold thousands of dollars in lost income, maybe even their livelihood.

Atlantic Canadians cannot afford a crisis in yet another sector of the fishery. I call on the Minister of Fisheries and Oceans to provide immediate help, both to cushion these fishermen against the offending size regulations and to help them find alternative markets for these lobsters.

* * *

[*Translation*]

BILL C-21

Mr. Marc Ferland (Portneuf): Mr. Speaker, I want to give Canadians the assurance that we want to achieve long-term economic prosperity for all the citizens of this country.

I think it is absurd that, at a time when tens of thousands of unemployed workers cannot find jobs, so many employers are complaining about a shortage of qualified manpower.

Our Canadian Jobs Strategy has a number of aims which include providing the necessary training programs to help unemployed workers find satisfactory employment; ensuring that employers have an adequate number of qualified workers; and implementing the programs needed to achieve these two objectives through a part-

nership involving the federal government, the private sector and the provinces.

We must urge the Senate to pass Bill C-21 without further delay.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance.

Today, the Canadian Real Estate Association announced that last month the sales of existing homes and condominiums in major cities dropped by 22 per cent compared to March of last year.

Speaking about this, Carl Beigie, a leading Canadian economist, said:

> We haven't seen the worst of it yet. It's like a house of cards. We're just starting to see the start of a really bad financial problem.

So I ask the minister this. Why are he and his government insisting on pursuing economic policies that are creating the start of a bad financial problem? Why is he doing this to Canadians, Canadian families, and Canadian workers?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have responded to questions along those lines before. Perhaps I could read from an editorial which appeared in *The Financial Post* today.

> It's just as well the governor can weather the criticism; if he heeded his critics and loosened the monetary floodgates, we would really be in a pickle.

The editorial goes on to state:

> —inflationary pressures have been stronger in Canada than in the U.S—But if our costs are not contained, how can we remain competitive? Easy money and a lower Canadian dollar may deliver a temporary advantage—Any weakening of the Bank's resolve to maintain the value of the currency will be quickly pounced upon by long-term investors who will demand an inflation premium—Once such a flight begins, it's hard to stop.

These comments in this editorial from *The Financial Post* set out quite clearly the problem that we face as a country, that we are committed to dealing with, and that we find absolutely necessary to deal with and not to run away from, as did my hon. friend opposite in the late 1970s and the early 1980s.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I, too, have a quote that I consider credible, and so will Canadians because it is from President Maurice R. Faraggi of the Canadian Real Estate Association. He said that the Canadian Real Estate Association:

> —believes there is room for interest rates to come down and in fact called upon the Central Bank to reduce them. Instead we see increase after increase, putting enormous pressure on Canadian consumers and impeding the government's own deficit reduction goals by increasing the cost of servicing its enormous debt. Enough is enough. Interest rates must come down!

So says Maurice Faraggi, the head of a major business organization, the Canadian Real Estate Association.

If the minister is so concerned about inflation, then why is it that senior officials of the Prime Minister's own office and the Bank of Canada have been given pay increases of up to 17.6 per cent? Over the same period working people have received increases of only some 12.9 per cent? Why is the minister asking Canadians to bite the bullet on cost-of-living increases when he is not doing the same thing for the staff of the Prime Minister's office and the Bank of Canada?

• (1420)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I am glad that the hon. member has asked those questions because I want to put the accurate picture on the record.

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): As far as the staff of the Prime Minister's office is concerned, the article is wrong. Until this month, the staff had not received an increase since the last election—since the last election. The staff received a 4.2 per cent increase this month which is not retroactive. That is one raise of 4.2 per cent in nearly two years. That is not excessive.

As far as the Bank of Canada is concerned, according to the article that I saw in the newspaper, the bank's salary structure in the 1987 to 1989 period was up 12.6 per cent. The public sector settlements during that same period were 14 per cent. Private sector settlements during that same period were 14.8 per cent. The Bank of Canada is in line with what is happening in terms of

settlements in other parts of the public sector, as well as in the private sector.

I might point out that personal disposable income per capita during that 1987 to 1989 period is up 25.2 per cent.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Finance avoided any comments on the salary increase of the Governor of the Bank of Canada which, according to my information, is above the level he mentioned.

I also want to ask the Minister of Finance why he did not react to what was said by the President of the Canadian Real Estate Association, who asked him for major reductions in interest rates. Why is the minister so reluctant to respond to one of our country's important businessmen?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not know how the Leader of the Opposition can say I have not given an answer to the question that he says was asked by the Canadian Real Estate Association. I answered that question on Monday. I answered it yesterday. I answered it again today. If he would like me to repeat it again, I will give him the answer.

First, let me say that I am not happy about interest rates being where they are today. I would like to see interest rates lower. It would certainly make my job a lot easier as Minister of Finance.

I do know that if we let these inflationary pressures get out of hand we will be back to where we started at around a 5.5 per cent inflation rate in the mid-1970s. It moved up to 13 per cent because the government of the day did not take the problem seriously. We are taking the problem seriously. We are trying to head off the problem before it gets out of control and before it leads to a 13 per cent inflation rate and the 20 per cent to 25 per cent interest rates that we saw in the early 1980s.

Surely my hon. friend's memory is not that bad that he cannot remember the damage that that period did to the economy of Canada. We are trying to avoid that with the policies we are following.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, in his Budget the Minister of Finance explained that the average interest rate in Canada this year should be around 11.1 per cent. Subsequently, the Prime Minister of Canada told us that interest rates should go down very shortly.

Mr. Speaker, my question is directed to the Minister of Finance. Does the government set monetary policy for this country or does the *Financial Post*, which is the impression we get from his answer to the Leader of the Liberal Party?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, first, let me congratulate my hon. friend for having been moved from the back row up to the second row. I would caution him not to be too influenced by those people on his left flank.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): I might also say that he should be pretty cautious about the ideas he takes from his right flank as well.

Some Hon. Members: Oh, oh!

Mr. Speaker: Perhaps the minister could respond to the question.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, these are serious matters. I have discussed them at some length in the House during the past two days, and I am willing to do so again. I am willing to discuss these matters further at committee, if members wish me to do so.

I reported what was stated in *The Financial Post*. That is a responsible newspaper expressing, I think, a point of view that is a responsible point of view. It is a point of view that I think is important for Canadians to understand.

As I have indicated, I am not happy about high interest rates. I would like to see them come down. But I want to see them come down on a permanent basis, not on a short-term basis to then find that interest rates and inflation are much higher. The problem would be much more difficult to resolve at that stage, as we found out in 1980 to 1982 when we went through a very serious recession and we saw all the damage that caused.

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary question for the Minister of Finance.

For months, if not for the last couple of years, the Governor of the Bank of Canada has said that inflation is public enemy number one. Does the Minister of Finance not believe that the time has come to recognize that the high interest rate policy and the high value of the Canadian dollar are creating the real public enemy number one in this country, which is a recession? Does the minister not realize that this is what the end result of his policies will be? As a result, will he change those policies?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if we could go back and look at every recession that has happened, at least since the war, we would see that there has always been a period of high inflation, inflation that got out of control, before we had a recession. What we are trying to do is to keep the level of inflation down, avoid the problems that a high level of inflation causes, along with the blow-off that comes from it and the sudden drop that follows. That is the essence of the policies we are following.

My hon. friend says that there is a lot of advice to the contrary. I understand that. But I can take my hon. friend back to August of 1988 and August of 1989 when we had the unanimous recommendation from the provincial premiers to reduce interest rates. If we had reduced interest rates at that time, we would have considerably higher levels of inflation today and we would be that much closer to a serious recession of the type my friend is talking about, the type of recession we are committed to avoid.

* * *

CHILD CARE

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Deputy Prime Minister.

In July, 1988, the Prime Minister told a meeting in Toronto: "We will implement and build on our national child care program". During the last election campaign in October, 1988, the Prime Minister said again of the government's child care legislation: "We will be reintroducing that legislation and pass it as soon as Parliament comes back after the election".

Parliament has been back for a year and half, and we are still waiting for child care legislation. I ask the Deputy Prime Minister this. Will the government make a commitment now to bring in child care legislation this year?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, as the Minister of National Health and Welfare said yesterday, and as was announced in the Speech from the Throne on April 3, 1989, this government will have a child care program implemented before 1993.

If it had not been for the other place, we would now have a child care program implemented.

Ms. Audrey McLaughlin (Yukon): My supplementary question is directed to the Deputy Prime Minister, Mr. Speaker.

There are 1.3 million children in Canada in need of child care spaces. There are just over 200,000 licensed child care spaces. Now the government is saying to wait until 1993.

[*Translation*]

Mr. Speaker, in 1984 during the election campaign, the Prime Minister promised to improve child care services. Six years later, the situation is still the same. A whole generation has grown up since. Will this government take action now instead of waiting until the next election campaign?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, when the Leader of the New Democratic Party says that in 1984 we talked about this program, she is right. However, we not only talked about it, we passed legislation in the House of Commons. It has not been implemented, not through the fault of the government but of the other place. The Senate failed to pass legislation, not us. We did our job, and the Leader of the NDP should congratulate the government on the good work it did during its first term.

• (1430)

[*English*]

Ms. Audrey McLaughlin (Yukon): My supplementary question, Mr. Speaker, is to the Deputy Prime Minister.

The government knows that that legislation was not put in force because it was unacceptable to every child care group in this country.

The government continually refuses to live up to its commitments to the children of this country and is abandoning the families of this country. The government has promised that child care facilities will be available in all new and renovated federal government buildings. Yet the government is breaking its promise again for new federal buildings. I cite one example in Whitehorse, Yukon.

Will this government guarantee now that child care facilities, as it has been agreed to with the Public Service Commission in Whitehorse, Yukon, and throughout Canada, will be assured in all federal buildings?

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, the hon. leader of the New Democratic Party says that we did nothing. We put $6.4 billion for child care programs in our last mandate. How can the hon. member say that was nothing; $6.4 billion.

The only reason it is not implemented is because the other place would not do so. It is not the fault of this government, it is the fault of the other place. Maybe the Liberals should talk to their colleagues in the other place.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, in the absence of the Minister of National Health and Welfare, my question is directed to the Deputy Prime Minister. Currently there are more than 2 million children under age 12 who require day care. Yet, thanks to this government's previous commitment to day care, there are only enough licensed spaces for about 10 per cent of these children.

My question is, quite simply, when is this government going to recognize the day care crisis in Canada and give us a firm date on when the new legislation will be introduced? Nineteen ninety-three is not acceptable.

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, 1993 may not be acceptable to the hon. member, but 1988 would have been acceptable to this government when it passed the legislation.

I am surprised that this question would come from a member of the Official Opposition. All the member would have had to do was talk to the members of the Liberal Party in the other place and we would now have a child care program in place in Canada.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the member should refrain from giving the government's old refrain and answer the chorus of discontent in this country. Working mothers are not among the 15 per cent of Canadians who still support this government.

If and when the government decides to live up to its new-found interest in children, is this government prepared to guarantee to this House that new legislation will not put a funding cap on new spaces, will set all-important national standards for high quality care and assure Canadians for the first time that it will provide for the national enforcement of those standards?

[*Translation*]

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, for the second time, I am surprised to have a question on a national child care program from a Liberal member of the Official Opposition. This government passed legislation that created a national child care program and allocated $6.4 billion to it. The only reason many children in this country do not have a national day care system is the Senate, the other place.

Mr. Young (Gloucester): Everyone in Canada opposed your proposal.

Mr. Danis: And I hope that the Liberal member opposite will give the Senate the message about child care, and about the unemployment insurance bill as well.

* * *

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question was for the Secretary of State, but in his absence, I shall direct it to the Deputy Prime Minister.

Yesterday, the Secretary of State told us in this House that he had called Saskatchewan Education Minister Meiklejohn and obtained an assurance from him that his government intended to move quickly on implementing a school system controlled and run by the minority.

Mr. Speaker, today's *Le Devoir* informs us that the same education minister said that he was not sure he could proceed with this program of minority-controlled schools promised by the Saskatchewan government.

I ask the minister to obtain a firm commitment in writing from the Saskatchewan government that it will keep its promise to its minority and provide Saskatchewan francophones with a school system that meets their needs and which they will manage and control, in a clearly specified time frame.

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, Prime Minister Mulroney wrote to the Saskatchewan government very recently to deeply deplore the delay in setting up the separately managed school system. He even offered the Saskatchewan government legal services and the federal government's legal expertise, since the Saskatchewan government used this argument to justify the delay in establishing the new system.

The National Commission of Francophone Parents today issued a press release congratulating Prime Minister Mulroney for his leadership on this issue.

[*English*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the minister may satisfy himself with a letter from the Prime Minister, but that does not give that minority anything in terms of concrete actions from its provincial government. An agreement was signed in 1988 for $26 million over 10 years to provide for a service, the implementation of a system of control and management of the schools by the minority.

Will the minister give this House his assurance that within that bilateral federal-provincial agreement no moneys will be spent at this time until a reasonable, acceptable, concrete commitment by the province has been given to the francophone population of that province that meets with their ideas of what should be in place in Saskatchewan?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, nobody can raise any question on the sincerity of the efforts made by this government to promote French outside of Quebec. I would remind my hon. colleagues from the other side of the House that today the Fransaskais themselves have issued a communiqué recognizing the leadership shown by the Prime Minister on this issue.

* * *

INTEREST RATES

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my question is for the Minister of Finance and concerns high interest rates and inflation. Over the last year increases in interest rates have meant that monthly mortgage payments on an average home have increased by over $200 per month. Because of taxes and payroll deductions, in order to have $200 a month a person must earn $400 a month. This is a major cause of wage pressure and wage inflation.

In the face of this clear evidence, will the minister now admit that high interest rates are a prime cause of inflation, not a cure for inflation?

Hon. Michael Wilson (Minister of Finance): No, I do not accept that statement at all, Mr. Speaker. Let me take my friend back to what has happened during the course of 1989.

We had bank credit, that is loan demand for business loans, for consumer loans, for household mortgage loans, all growing in excess of 10 per cent per annum throughout this period and for mortgage loans the rate of growth ranged between 15 and 20 per cent per annum.

If we had reduced interest rates at that time, as my colleague has said that he would like us to have done, we would increase the demand for those loans. That loan demand would have been much higher than it was and that just sows the seeds for future inflation.

This is precisely what we are trying to avoid. High interest rates are the symptom of the problem. The cause of the problem is inflation. Inflation causes high interest rates.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my supplementary question is for the Minister of Finance. It is obvious that the government does not care about child care but it also becoming apparent that it does not care about homeless children.

• (1440)

Each increase of 1 per cent in the mortgage rates means another 100,000 Canadians cannot afford to purchase a home. Housing resales have plummeted. Houses starts will fall within six months.

The Minister of Finance knows that housing construction is one of the main engines of our economy. Will the minister now say that interest rates have peaked, or will he continue with his bull-headed high interest rate policy and force this country into a full recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, housing starts, according to the most recent figures, I believe, were 222,000 on an annual basis. They have been in excess of 200,000 starts a year for three or four years now. So we have had a very strong housing market that has been well supported by the policies that have been followed by this government. That is one of the reasons why we have unemployment down to the lowest levels that it has been for many, many years now. This suggests to me that our economy is operating at high levels of activity which is leading to the levels of inflationary pressures that we are seeing today.

But, Mr. Speaker, my colleague is forgetting that in the 1970s and early 1980s, when problems of inflation were ignored or were not taken seriously enough by the previous government, we ended up with exactly the problem that my hon. friend tells me that we should be trying to avoid.

That is why we are doing what we are doing, to stop the inflationary pressures where they are now, to start the levels of inflation turning down rather than continuing up, because if they do continue up, we will most certainly see the problems of high interest rates, high unemployment and a plummet in housing starts which my hon. friend is concerned about.

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[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Marc Ferland (Portneuf): Mr. Speaker, I have a question for the Minister of State (Employment and Immigration). Some 54 weeks have elapsed since this Government tabled in this House the Labour Force Development Strategy. Also, Bill C-21 has been passed by this House.

Right now, Mr. Speaker, a number of my constituents have to wait between 14 and 20 weeks to be entitled to UI benefits. I would like to know from the Minister what she intends to do to help the unemployed in my constituency, because they are hurting.

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, the hon. member is expressing the concerns of many Canadian workers. I would like first to reassure this House and express this Government's intention to provide Canadian workers with a long-term economic future.

This being said, we all know that Bill C-21 is based on a variable entrance requirement which will provide us with a system that is fairer. Under that requirement, workers in high unemployment areas will only need 10 weeks of employment. The requirement becomes higher in more prosperous areas. It may be important to add that there will no longer be that six week penalty for seasonal workers who apply for benefits more than once during one year.

I would like to take this opportunity to once more urge the other House to pass within the shortest possible time frame Bill C-21, which will be of help to our workers.

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to members' attention the presence in the gallery of the United Kingdom Select Committee on Members' Interests, led by Sir Geoffrey Johnson Smith.

Some Hon. Members: Hear, hear!

* * *

[*Translation*]

FIREARMS CONTROL

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is directed to the Acting Minister of Justice or perhaps the Leader of the Government in the House of Commons.

When the Minister of Justice visited the École Polytechnique in Montreal recently, students presented the minister with 25 boxes of petitions, with more than 500,000 signatures, asking for more effective control of firearms. On that occasion, the minister promised to table a bill in the House by the end of this month. Since

it is now April 25, could the minister inform the House when we will have this bill before the House? On what date?

[*English*]

Hon. Doug Lewis (Minister of Transport): I want to thank my hon. friend for the question. It is, indeed, a very serious situation. The government has been reviewing the present firearms legislation for some time now. I can assure my friend that it was a very extensive consultation process because in my former capacity I was heavily involved in that consultation process.

The new minister is seized of the matter, and I am sure that she will be bringing it forward as soon as she has an opportunity to familiarize herself with the legislation and with all the ramifications.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, the minister promised to bring in that bill before the end of the month.

Can the minister tell this House whether the law will ban the sale of military and paramilitary weapons to private citizens?

I want to remind the minister that the gun that was used to kill those 14 women at the University of Montreal was a Ruger semi-automatic rifle which could fire up to 50 rounds of ammunition and which is now used by several police SWAT squads and military forces.

Does the minister and the government think that this is the type of gun that should be sold to private citizens over the counter?

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I should advise my hon. friend that the initiative started off to look at banning the sale of automatic weapons which had been converted to semi-automatic weapons for the purpose of bringing them into the country. Since this legislation had not been revised for some ten years, there was an effort made to review all of the ramifications of the firearms control legislation in an effort to improve it.

I can assure my hon. friend that we take the sale of military weapons very, very seriously. My colleague, the Minister of Justice, is looking at the question of magazine size, but there is no intention to ban semi-automatic weapons.

* * *

[*Translation*]

TRADE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. There are reports today that the Free Trade Panel is about to support the U.S. measure to restrict exports of Canadian lobster to the United States. Considering the devastating impact of such a decision, what does the minister intend to do to remove the uncertainty this U.S. measure has created in the lobster industry in the Maritimes, at a time when the fishing season is about to begin?

[*English*]

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the House will remember that on December 21, Canada invoked Chapter 18 dispute resolution mechanisms of the free trade agreement to have a bi-national panel set up that would challenge American amendments to the Magnuson Act, amendments which would effectively prohibit the importation into the United States of live lobster smaller than the American minimum size. That panel has completed its interim report. That was a confidential report until elements of it were published today in the press.

As the member will know, there is a procedure which allows the Government of Canada and the affected industry to comment on this interim report up until April 30. There were consultations held yesterday in Halifax with regard to the comments that Canada would make. Those comments will be made prior to April 30.

I remind the House that the final report does not come in until May 15. We intend to continue to press the interests of Canadian lobster fishermen.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, last fall when the U.S. legislation the minister is talking about was introduced, the Prime Minister promised to use the full weight of government influence to prevent it from being passed. Yet it was passed and now we have reports that this measure, which the Minister for International Trade has called "a trade

distorting measure", has been found acceptable by the bi-national panel.

Will the minister tell this House today what further action he will take to lift the cloud which this U.S. trade restriction has created on the Atlantic lobster industry?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Prime Minister said that he would bring the full weight of Canadian influence to bear. I was with him when he raised the matter specifically with the President of the United States and argued strongly that the legislation not be proceeded with. Unfortunately, the President moved in his own jurisdiction to proceed with the amendments. We then immediately triggered the provisions that exist under the Canada-U.S. Free Trade Agreement.

• (1450)

A panel was established in accordance with the provisions of the FTA. The panel was not unanimous on the basic question that is of concern to Canada which is what we believe to be the trade distorting implications of the U.S. measure.

There has been an interim report. We are disappointed with the interim report. We are availing ourselves of the provisions set out in the FTA and will comment on the interim report with the hope that the final report which has yet to come will be more satisfactory from the Canadian perspective.

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ENERGY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Two days ago, during the energy and transportation session of the parliamentary forum on global climate change, all three expert witnesses, including the President of the Canadian Automobile Association, condemned the government for going in the wrong direction by cutting funding for energy alternatives and conservation by over 90 per cent since 1984.

As it is a waste of time to consult further on what is universally agreed and as, in the words of the environment minister, "the price of inaction is too high", will the energy minister restore funding for these very effective programs to 1984 levels now, and not use the excuse of *The Green Plan* discussions to further stall what virtually everyone agrees should be done immediately?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, in response to the hon. member's question, I have met with a number of the Canadian automobile manufacturers and have raised the issues with them. We have had a good discussion as to what possible further energy efficiencies we might be able to meet in that field.

I am meeting with the window and door manufacturers of Canada later on with respect to inert gases in doors and windows as well as the work on R-2000.

I am not using the excuse of *The Green Plan* at all to withhold any plan on energy efficiency and conservation. In fact, the Minister of the Environment and I are *concourant* on those issues.

The issue at which the hon. member for Edmonton East and I are at odds is that I do not intend to spend money, as was done before, on programs that paid public servants for work that was already in the marketplace. I believe that money should be spent for further R and D so that we can get more energy efficiency, rather than pay for the salaries that were then in place.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, while no one advocates the duplication of expenditures, I do not think anyone would agree that meetings and discussions are substitutes for money.

However, given that Petro-Canada is well placed to take a leadership role in helping to make Canada, in the words of *The Green Plan* paper, "the industrial world's most environmentally friendly country", will the minister go back to his cabinet colleagues and urge them to scrap their plans to privatize Petro-Canada? Will he urge them to start using Canada's energy corporation actively and creatively to promote a more environmentally responsible energy future?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I think that the philosophical position which the hon. member has put forward, that in some way a publicly owned corporation is more energy efficient, or can be more conscious of environmental issues, is a very short-sighted view.

Right across the energy field there are energy efficiencies. There are different blends of fuels, for example. It was not only Petro-Canada that introduced different blends and removed lead, it was all companies because this government made that decision.

It is of no consequence whatsoever whether a company is private or public. The issue is how to get more energy efficiency, how to use energy more effectively, how that fits in with the environmental plan and how we educate Canadians on those issues.

That is the issue. It has nothing to do with the Neanderthal view the NDP has that public is somehow better.

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EXTERNAL AFFAIRS

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, my question is for the Secretary of State for External Affairs. There presently exists a terrible situation in Burma. There is brutal suppression of human rights. Thousands of human beings are being massacred.

Will the elections that are going to be held in May in Burma be democratic when members of the opposition parties are thrown in jail without trial if they choose to contest the upcoming election?

Can the Secretary of State for External Affairs advise this House whether Canada will send a delegation to observe the Burmese elections in May?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, we are deeply concerned about the political situation and the abuse of human rights in Burma, which is now known as Myanmar. The government of that country has made it clear that it will not welcome political observers. Indeed, it has gone a step further and indicated that it is putting a severe limitation upon the visits by tourists and others to the country because it expects that some of those tourists, journalists or others, might function as election observers. I think that makes it extremely unlikely that the election that is planned for that country will be a democratic or a full election.

We are calling in the Ambassador of Myanmar to Canada to express our most serious objections to that procedure and we are making those representations in Myanmar itself.

CORRECTIONAL SERVICE CANADA

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, my question is for the Solicitor General. Recent media reports have indicated that Correctional Service Canada plans to install a newly conceived and designed parole office in downtown Toronto. This office would exclusively serve a concentrated number of high risk offenders who are released on mandatory supervision. This particular office location is not far from where the Tema Conter tragedy took place a couple of years ago.

What steps is Correctional Service Canada taking to explain to the community what exactly is being planned here and why these so-called high risk offenders are being released in the first place to the community prior to the termination of their sentences?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, with respect to the release of inmates, either on parole or on mandatory supervision, as my hon. colleague knows, there are some programs to that effect and the Parole Board obviously makes those decisions bearing in mind the criteria which is the utmost safety of the people in the community or communities which may be concerned.

With respect to the "super office" that he is referring to, there is a pilot project that will be under way and I am convinced that the service will do whatever consultation is necessary in order to make sure that everybody is aware of what is coming down.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, this particular facility will be bringing together a relatively large number of potentially high risk offenders and they will be concentrated administratively in one particular place.

In view of the fact that this type of initiative is a new concept for Correctional Service, specifically what steps are going to be taken by the government to increase the security and protection for the public and to reassure them that the correction system maintains public security as its primary goal?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as I indicated earlier, public safety is the prime criteria that is taken into consideration when an inmate is given either probation or mandatory supervision. Therefore, the public security concept is taken into

consideration and the service will continue to make sure that public safety is maintained and protected.

I think it might be important once in a while to look at the success stories of those particular situations rather than only the unfortunate circumstances that do occur from time to time. The service is very aware of those concerns and will take every step necessary to protect public safety.

* * *

[*Translation*]

CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the minister responsible for Canada Post and concerns the report on mail delivery released yesterday. As the minister is aware, the report recommends either closing or privatizing all rural post offices in Canada. Considering that this measure would result in 10,000 people being laid off, 80 per cent of whom are women, which would be the largest number of women laid off in Canada's history, will the minister today, on the anniversary of women's suffrage in Quebec, reject this recommendation and give Canadian women working in rural post offices the assurance that their jobs are safe?

• (1500)

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if things were anywhere like the description in the preamble of the hon. member's question, I might be inclined to. Of course he knows that is not the fact.

In fact, he knows there is no lay-off of rural postmasters. Only when there is an occurrence of somebody resigning or someone who is deceased or so on, or where the community has shrunk, does the post office look at the possibility of putting in a retail postal outlet. Where that has been done around the country, the users of the post office have approved of the change by an overwhelming percentage. They end up with better service, they like it.

It is service to the customers of the post office we have asked the management to look after first and foremost, and they are doing it in superb fashion.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, the Conservative party will be shrunk the day after the next election.

Some Hon. Members: Oh, oh!

Mr. Boudria: I want to ask a supplementary question of the minister responsible for Canada Post. Why is he not prepared to say right now in the House of Commons that he intends to protect the quality of the delivery of mail to rural Canadians? What does the Conservative party have against rural Canada?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I will go further than that and say I will protect the quality of rural mail delivery. I will also guarantee to continue the improvement in rural services that we have seen over the last four years.

Some Hon. Members: Hear, hear!

[*Translation*]

Mr. Speaker: I would like to bring to the attention of the House a most important matter of privilege which originated here and that I was informed of on Monday.

* * *

[*English*]

PRIVILEGE

REMARKS OF HON. MEMBER FOR YORK SOUTH—WESTON

Mr. John Nunziata (York South—Weston): Mr. Speaker, I appreciate this opportunity to clarify the remarks I made at the Liberal leadership forum in Halifax on the weekend.

I would like to make it absolutely clear at the outset that it was not my intention in any way, shape, or form to insult Quebecers or anyone else. I did not in my statement use the words "sedition" or "treason", words that have been attributed to me. I did not cite the Criminal Code of Canada. Yet there are those, for political reasons I suspect, who have attributed certain words to me.

I did indicate in Halifax that in my view separatists were traitors. Those were the words I used. I was not referring to Quebecers. I was referring to the small

minority of individuals who have as their *raison d'être* the destruction of our country, who promote actively on an ongoing basis the division of Canada. I did not mean the word in the criminal sense. On the contrary, I meant it in the dictionary sense, if you will, and I would like to cite the Oxford dictionary definition of "traitor".

> One who is false to his allegiance or acts disloyally (to country—

Mr. Speaker, after our election when we became members of Parliament, we were all required to swear an oath of allegiance before we could take our seats in this place. That is a requirement in law under the British North America Act. Each and every one of us in this House had to swear the following oath:

> I, —, do swear, that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second.

That is required under the British North America Act, The Fifth Schedule. Those who for religious reasons feel it necessary to affirm in lieu of the oath are required to state that:

> I, —, do solemnly, sincerely and truly affirm and declare that taking of an oath is according to my religious belief unlawful, and I do also solemnly, sincerely and truly affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second.

That is the duty and the responsibility of each and every one of us who has been elected to the Parliament of Canada.

With respect to separatists, there are a number of people who have different definitions or interpretations of the word "separatist" and who is a separatist and who is not, and whether a separatist is a nationalist, and whether a nationalist is a separatist. In the context of my comments at Halifax, I was referring to those who have as their preoccupation, their *raison d'être*, the division of Canada. If that is their ambition and goal, then how can it be said, according to the dictionary definition, that the person is loyal to Canada.

In so far as the words "racist" and "bigot" are concerned, I did not call anyone a racist or a bigot. I did not refer to any particular individual as a racist or a bigot. I did not introduce the words racism and bigotry into this debate. A few months ago the Prime Minister said the following, and I agree with him with respect to this particular quote.

In the article entitled "Language Intolerance is Near Racism, PM", the Prime Minister said: "Great nations are built by generosity and understanding and by resisting the temptation to knock one's neighbours or diminish someone who is different. Once you get after language the next thing is race, the next thing is religion and the next thing is colour. That is the absence of tolerance."

The Prime Minister said on September 14, 1984, and I quote: "To try to curry the favour of the Parti Quebecois organization during a leadership campaign is dangerous to the candidate who does it. It is dangerous for the future of the party he seeks to lead and it is dangerous to the future of the united country he seeks to govern. You do not become Leader of the Progressive Conservative Party of Canada by playing footsie with the Parti Quebecois."

At the time, he was expressing concerns I have, that all too often, in recognizing the sensitivity of the matter, it appears difficult to stand up and fight for Canada, to defend Canada and to take to task those who have as their vocation the division of Canada. What I intended at Halifax was to take the separatists to task for their goal and ambition.

Others have used similar language. It is strong language, but we have the Charter of Rights and Freedoms in Canada. Each and every one of us is afforded certain rights and privileges, and one of them is freedom of speech. I do not deny those who advocate separatism the right, in a lawful manner, to advocate separatism or division. That is their right. As long as it is not done in a violent fashion or as long as one does not promote violence, it is their right. But it is also my right as a Canadian and as a member of Parliament to stand up and debate and discuss in a very firm fashion my views with respect to the issue of national unity.

• (1510)

A great number of members in this House have made comments as of late with respect to the whole question of the Meech Lake Accord or national unity. The member for Kitchener, for example, just a few weeks ago said and I quote:

> When I listen to some of my Quebec colleagues I don't like what I am hearing. I sometimes wonder if it almost treason to keep talking about separatism.

There are others, and I will not cite all of them, that have expressed—

Mr. Speaker: I wonder if I could perhaps help all hon. members and the hon. member from York South—Weston. I have been listening extremely carefully, as other members have, I think, to what is a sensitive statement.

I wonder if the hon. member could keep on the subject which caused the application a couple of days ago. I do not think it adds very much to be quoting other members on other matters, although I understand that clearly the hon. member has done so up to this point to indicate that he is not the only person who may have strong views on delicate issues. I would ask him to stay as closely as he can to the matter which I think he has already introduced very properly.

Mr. Nunziata: Mr. Speaker, I would like to conclude by saying that all too often a different standard is used with respect to different individuals, and I understand that. I am part of the cut and thrust of this place, and you yourself have indicated that this is not a place for the weak and timid. I have taken my lumps and I will continue to them. I just wish to be afforded the same fairness and opportunity to express my point of view, and I will try to make my statement in the most sensitive manner possible. I would expect that the same standard be used when members on the other side of the House, for example, ask Canadians to choose between Newfoundland or Quebec.

Some Hon. Members: Oh, oh!

Mr. Nunziata: When given the opportunity, and I do not want to engage with the members opposite—

Mr. Speaker: I think what the hon. member is trying to do here—and hon. members have been very quiet and very co-operative—is to indicate that whatever was said was not meant to apply to other members of this honourable place. I think that the hon. member is intending to say that. I must invite him to perhaps make that clear, because I think that if that is what is made clear that is very much the end of the issue.

Mr. Nunziata: I will make that clear, Mr. Speaker. Some of my comments, as I indicated, were distorted. I did not make some of the statements that have been attributed to me with respect to treason and sedition in the Criminal Code of Canada. I did not direct my comments to any member in this House. On the contrary, every member of this House has sworn an oath of allegiance. My comments were directed to others outside this Chamber.

Mr. Speaker: I want to thank the hon. member very much for coming into this House.

[*Translation*]

I thank the hon. member for his comments. There is no need for further discussion. It was originally intended as a question of privilege—

Some Hon. Members: No, no!

Mr. Speaker: In the opinion of the Chair, the case is closed.

Some Hon. Members: No, no!

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I would like to take the floor, if I may, because I was the only member of this House who was mentioned–indirectly in what the hon. member said earlier and directly during the days that led up to the present events. Mr. Speaker, I do not wish to say anything that would in any way worsen a situation that is almost unacceptable. I think this is not the time for petty bickering. I believe the occasion demands that we rise above such considerations.

Bearing this in mind, I would like to deal very quickly with two questions. I realize it is not very prudent, but I feel it is my duty because I have known these men and women. The hon. member referred to the Parti Québécois as a party that, he implied, was separatist. Not seditious, but separatist as synonymous with treason. He did not say "treason" but he said traitor. I knew most of the men and women who were part of that government. I knew Mr. Lévesque personally. He was a great democrat, a man whose democratic and peace-loving spirit all Canadians should appreciate, a man who led a very difficult debate in a political situation that was extremely volatile and who brought this debate to a democratic conclusion, with the results we all know. I think that at least in this House, the honor of this man and of those who work with him deserves our respect.

Some Hon. Members: Hear, hear.

Mr. Bouchard (Lac-Saint-Jean): Second, Mr. Speaker, the Parti Québécois is a lawfully established party that was democratically and lawfully elected to guide the destiny of Quebec during those years, and it too is entitled to the respect of this House.

Furthermore, I see a number of things in what the hon. member said. I will not get into details, but I certainly see a breach of the privileges of this House. I see an insult to Quebecers, I see a breach of the privileges of this House and I see a breach of our privileges in Quebec, because of the undue burden they would have us carry. Every time we want to speak for Quebec, every time we want to promote Quebec's interests, they want us to prove our loyalty to Canada.

Let's talk about this loyalty to Canada. We hear a lot about it. I think, Mr. Speaker, that we must recognize—especially the member concerned—that the members of the House from Quebec made an act of faith toward both Quebec and Canada when they came here. They did by coming here after their election to represent Quebec in this House, as the members from Ontario, Saskatchewan, Alberta, Atlantic Canada and Newfoundland represent their constituents. I must say, however, that they did not want to be asked to forget where they were from when they came here. Do not ask us to forget that we are Quebecers and that we come from a nation who has had to struggle relentlessly for its survival. A Quebecer coming to Ottawa must not forget that.

Coming to Ottawa, we also became aware of the risk we were taking. It has sometimes been called "le beau risque". It was a risk worth taking and, as far as I am concerned, it still is.

Some Hon. Members: Hear, hear.

Mr. Bouchard (Lac-Saint-Jean): The risk of succeeding or failing. Success means opening the way for the future of a very large country in which there will be room for Quebec, a country that all Quebecers wil be able to love wholeheartedly. That is what I call success, Mr. Speaker. The way to success on the Meech Lake Accord is reconciliation. And the Prime Minister (M. Mulroney) has lead the country on this path, pursuant to the committment he has taken in 1984 and that he has honored, a path on which all Premiers have joined him in 1987.

One other thing, Mr. Speaker. There is also the case of another liberal candidate whose choice of words was even worse in a way, since he used the word "sedition" and that member, who is here today, has not been repudiated by the other candidate, Jean Chrétien. Jean Chrétien stated that not everybody is a criminal, leading to believe that some people are. I want—

Some Hon. Members: Oh, oh!

[*English*]

Mr. Speaker: I would ask for the co-operation of hon. members in a difficult situation. We have procedural difficulties.

I must say to the hon. minister that this is becoming a debate which has no procedural basis whatsoever.

• (1520)

[*Translation*]

Mr. Speaker: One moment, please. I have been listening with much interest to the comments of the Hon. Minister, because this is a concern. This is all very eloquent, very emotional, very intelligent. It is not appropriate however to mention many others.

I would invite you to please continue, but at this stage it possibly is time to conclude your remarks.

Mr. Bouchard (Lac-Saint-Jean): I defer, Mr. Speaker. Let me conclude my remarks concernings the hon. member's comments.

It is my hope, Mr. Speaker, that everyone will refrain from making that kind of comments, which revive memories that are unfortunately too recent and might rekindle ashes that only a true reconciliation can dampen. An honourable and enthusiastic reconciliation. And I emphasize honourable, because a people demands respect! And enthusiastic, because a people needs hope!

Some Hon. Members: Hear, hear.

Mr. Louis Plamondon (Richelieu): Mr. Speaker, on a matter of privilege!

Hon. Jean Lapierre (Shefford): Mr. Speaker, I wish to raise a matter of privilege concerning the comments made by the hon. member for York-South—Weston where he referred to the oath of allegiance to the Queen. He questioned the validity of the oath made by all those who propose a different form of federalism, a new political contract, and who in fact—

Mr. Plamondon: On a matter of privilege, Mr. Speaker!

Mr. Speaker: Please! I hesitate to interrupt the hon. member, but this is not a matter of privilege. It maybe a matter of debate with your colleague, but it is not a matter of privilege.

Mr. Plamondon: Indeed! Indeed! A matter of privilege!

[*English*]

Mr. Speaker: Tabling of documents. The hon. minister.

[*Translation*]

Mr. Plamondon: No, no! I have a matter of privilege!

[*English*]

Mr. Speaker: Tabling of documents.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government responses to 16 petitions.

* * *

NATIONAL DEFENCE

CF-18 AIR CRASHES

Hon. Bill McKnight (Minister of National Defence): Mr. Speaker, I rise to extend on behalf of all members of this House our sympathy to Captain Hollis Tucker's family, following a CF-18 crash last Sunday on Vancouver Island.

I would also like to take this opportunity to extend our condolences, on behalf of the House, to Captain Kirk Leuty's family following a tragic CF-18 accident last week in Germany, and to say to their comrades that we understand their loss of good friends. We extend our sympathy to them.

As a result of these accidents, Mr. Speaker, you will recall that I ordered a 48-hour suspension of all CF-18 operational training activity. At that time I said I would inform the House and my colleagues as to what had come about in that 48-hour time period.

This measure was to allow our senior Air Force commanders time to assess the situation and, during this period of time, do an intensive assessment by commanders at all levels of our fighter operations has been conducted.

Pursuant to this assessment and in the absence of an exact determination of the causes of recent accidents, the Air Commander has modified training materials and procedures, exercise scenarios, flight envelopes—for example, the altitude limitations, the air speed, and so on—to reinforce the safety aspects of the safety/realism equation.

Based on these changes, I have accepted the recommendation of my military commanders that the return to routine tasking and operation commence as air crew are briefed on these new measures. These briefings will conclude this week, and I expect that routine tasking will begin next week.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Madam Speaker, I join the Minister of National Defence, also on behalf of all members of this House, in extending our sympathy to the families of Captain Hollis Tucker and Captain Kirk Leuty, and indeed, to the families of all the CF-18 pilots who have lost their lives in the line of duty in the service of their country.

Our Canadian military won in war the reputation of being professional, a reputation that they fiercely protect and unquestionably maintain in peace. It is that reputation and a continuing trust in their professional conduct and judgment that allows this side of the House to appreciate the Defence Minister's statement.

That statement, as I understand it, is that, although an exact determination of the cause of recent accidents has not been found, with restrictions and appropriate briefings, including special emphasis on the safety/combat realism equation, routine taskings will begin next week. Nevertheless, I enjoin the minister to continue to pursue vigorously a "tiger-team" approach to finding the cause of these tragic accidents and to make the results public in a timely manner.

I think it is appropriate to inject a thought at this point in time. What a society gets from its armed forces is

exactly what it asks for—nothing more and nothing less. What it asks for tends to be a reflection of what it is.

When a country looks at its fighting force and what it does, it is really looking into a mirror. If the mirror is a true one, the reflection it sees there will be its own. It is within the context of this principle, and without prejudice to the follow-on investigations that may follow or any other further restrictions that may be placed on the CF-18 aircraft, that guides our response to this very sensitive and important issue.

Mr. Derek Blackburn (Brant): Madam Speaker, I, too, on behalf of my party and all members of the House, wish to extend our sincerest condolences to the families of Captain Hollis Tucker and Captain Kirk Leuty. It is very sad and tragic that in training, whether it be the the Air Command, Army or Maritime Command, from time to time there are casualties, some of them the extreme casualty of death.

However, we do have a responsibility in this Chamber to make absolutely certain that everything is done to minimize those tragic incidents. I commend the minister for his 48-hour moratorium. I do question, however, whether in 48 hours enough information could be obtained to permit him, not to lift the moratorium, but at least to allow routine flying to recommence with that particular airplane. However, he has information from his senior officers and staff. Obviously, he is satisfied at this point that routine training flights will not jeopardize the lives of those other pilots who are flying. I would, however, stress that there is always an element of danger, particularly in such a sophisticated plane as the CF-18.

• (1530)

What I would like to see is a full, public inquiry. We live in an age of information; we are an informational society. People want to know, people have the right to know, and if I can sound crass for a moment, the taxpayers of Canada have a lot of money invested in the Canadian Armed Forces and indeed in those planes that are in the range of $35 million to $37 million each.

I am getting a little tired of the in-house, behind closed doors approach that National Defence usually adopts in its investigations. That is appropriate in wartime or if national security is at stake. However, if it is purely a safety measure, an investigation should be established so that all interested persons, either military or non-military, have an opportunity to find all the facts and all the information as they were presented.

Finally, I find it difficult to accept that the CF-18s should continue to practice low-level tactical flying exercises related to such things as the follow-on force attack and the pursuit of cruise missiles at a time when we are making every effort to wind down what used to be called the cold war. By "we" I mean our country, the United States, certainly Europe, and the Eastern Bloc. I see no practical purposes served in those particular simulated low-level tactical flights in view of the high risk involved in terms of lives being lost at this time.

I hope that the minister will see fit to open up the inquiry somewhere down the road in the not too distant future so that we all may benefit from the information and the input that goes into that inquiry.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Point of order, Madam Speaker.

The Acting Speaker (Mrs. Champagne): The hon. member for Saint-Denis.

Mr. Prud'homme: Madam Speaker, I would like to give the House notice that at the first opportunity I wish to raise a question of privilege with the Speaker concerning the exchange that took place earlier between the hon. member for York South—Weston (Mr. Nunziata) and other members. This is my first opportunity to give notice. I am not giving it in writing but I am notifying the House, because I want to carefully review the exchange that took place. In my opinion, the procedure was flawed. I want to go over it and notify you today that if I conclude that I have a question of privilege, I will raise it at the earliest opportunity—I have served notice.

The Acting Speaker (Mrs. Champagne): The Chair has taken note.

Mr. Champagne (Champlain): On the same point of order, Madam Speaker.

The Acting Speaker (Mrs. Champagne): The hon. member for Champlain (Mr. Champagne) on the same point of order.

Mr. Champagne (Champlain): Madam Speaker, I also submitted a question of privilege to the Speaker this morning. Unfortunately, I did not indicate the subject on which I wished to speak and the Speaker refused to recognize my question of privilege. I too think that we

need more details on this question, because I think that my right—

Mr. Plamondon: A point of order, Madam Speaker.

The Acting Speaker (Mrs. Champagne): The hon. member for Richelieu (Mr. Plamondon) on a point of order.

Mr. Louis Plamondon (Richelieu): Madam Speaker, on the same question raised by the two previous speakers. Two days ago when we were commenting on the statement made by the hon. member for York South—Weston, I was given the floor but Mr. Speaker interrupted me to say that, the hon. member being absent, I would be recognized after he would have had a chance to explain himself. Well, the hon. member has had his say but I was not recognized even though I had advised the Chair that I wanted to continue the remarks I had begun Monday when the hon. member was absent.

My rights as a member have been breached. I do not accept the decision of the Chair and I denounce its decision concerning the other 20—

The Acting Speaker (Mrs. Champagne): I think we are arguing a point which has been settled a moment ago. The hon. member for Saint-Denis rose on a point which I think was different from the one that had just been settled. Perhaps the hon. member for Richelieu would want to go over what he has just said and reconsider some of his remarks because I do not think he wanted to question a decision made by the Chair earlier this afternoon.

So I think the best thing to do right now is to stop entertaining questions of privilege and points of order since these are not points of order anyway. In my opinion, there is not legitimate point of order. We will proceed with the daily routine of business. I see the hon. member—

Mr. François Gérin (Mégantic—Compton—Stanstead): If we cannot speak here, where can we do so?

If we are not allowed to speak in the House of Commons, where can we go to speak?

Mrs. Venne: On a question of privilege, Madam Speaker.

The Acting Speaker (Mrs. Champagne): Is the hon. member for Mégantic—Compton—Stanstead rising on a point of order?

Mr. Gérin: Yes, thank you, Madam Speaker. I want to explain that the House of Commons is, I think, the only place where members can express their views. Whenever we rise on a question of privilege, the Chair asks us what we want to say. And if 20 members of this House wish to speak, they should at least be asked what they want to talk about. I support all my colleagues in this regard. I myself rose on a question of privilege Monday. I agreed that the debate be adjourned until Tuesday, then Wednesday. After other members spoke in this House, the Speaker probably thought that nobody else wanted the floor. Had he realized that others wanted to speak, he would obviously have given them the floor. I myself was about to speak. Members of the House of Commons cannot be muzzled like this.

I think that, even if we take a half hour to allow members who want to do so to briefly express their views, we would simply be complying with basic democratic principles. Otherwise, it means that the Chair has decided to ignore questions of privilege and points of order that members want to raise and to arbitrarily resume another debate. If that is the case, there is nothing else for us to do here in this House and we should simply get up and leave.

[*English*]

Right Hon. Joe Clark (Secretary of State for External Affairs): Madam Speaker, I have just had a chance to refer to the record of *Hansard* for April 23, and the Speaker was quite clear in indicating that he would hear other members take part in the debate.

The Speaker's ruling today was also very clear. He found, after the intervention of the member for York South-Weston, that there was not a valid question of privilege raised by the the member for York South-Weston. That is the Speaker's ruling.

There may well be another question as to whether or not members who heard from the Speaker that they would have an opportunity to participate in the debate would be, in fact, allowed that opportunity. I think, Madam Speaker, that it is difficult for you to adjudicate this matter sitting in the chair, but I am sure that the matter will be brought to the attention of Mr. Speaker directly. It might be in the interests of order and debate

in the House if all members of the House would accept that there is a debate which we can all understand with regard to the words that were uttered by Mr. Speaker Fraser in which he stated, as reported at page 10529 of *Hansard*:

> During the debate, of course, all other members will have a chance to make themselves heard.

It may be that some members would want to raise that matter directly with Mr. Speaker when he is here, but I think it would be in the interests of orderly debate that we not pursue that matter now.

The Acting Speaker (Mrs. Champagne): On the same point, the hon. member for Saint-Denis.

• (1540)

Mr. Prud'homme: On this point, Madam Speaker, just to have a good understanding, I would say that I entirely agree with the right hon. minister. That is exactly why I knew that a multiplicity of colleagues were ready to rise. It was obvious, unless one did not have a feeling of the House. One does not need to be here long to have a feeling of the House and I had a feeling. I was well informed that many members were going to rise on this question.

That is why I did not want to participate in the debate today, but reflect upon it tonight. However, I want to reserve my right at the first opportunity. The rules are clear that one must rise at the first opportunity. Everybody sees me here so therefore this is the first opportunity.

I totally agree with the right hon. Secretary of State for External Affairs that a day of reflection is exactly what we need. We may all be in agreement tomorrow not to pursue it any further or, after discussion with the Speaker, we may be in agreement that we would like to pursue the debate.

[*Translation*]

The Acting Speaker (Mrs. Champagne): I would like to thank the Right Hon. Secretary of State for External Affairs and the Hon. Member for Saint-Denis for their contribution in this most difficult situation.

I have listened to the Hon. Member for Mégantic-Compton-Stanstead and to the Hon. Member for Richelieu, and I must come to the following conclusion: a few days ago, the Chair, having heard the question of privilege raised by the Hon. Member for Mégantic-Compton-Stanstead, decided to wait until the other member involved in the situation would be in the House before listening to what other Hon. Members had to say.

Today, the hon. member was present, he stated his case and explained the statements attributed to him.

The Speaker then heard a remark made by the Environment Minister which he felt quite probably reflected the interpretation and the feelings of most of the hon. members who now wish to be heard.

That is why I have refused at this time to re-open the case and deal again with this issue, and I think that all hon. members will understand that I had really no choice.

I suggest, therefore, that we continue with Routine Proceedings.

Mr. Prud'homme: Fine: we are at peace again!

* * *

STRIKING COMMITTEE

THIRTY-SEVENTH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary-West): Madam Speaker, I have the honour to present the thirty-seventh report of the Striking Committee.

* * *

PETITIONS

EXTERNAL AFFAIRS

Hon. Chas L. Caccia (Davenport): Madam Speaker, I have the honour to present today a petition on behalf of several Ontario residents. This is—

[*English*]

—with respect to a Canadian citizen, Mr. Yih-Sheh Leo, who was arrested unlawfully and sentenced to 10 months imprisonment for exercising his right to return to his native land and is currently under indictment in Taiwan.

This petition is duly signed according to the rules of this House and I submit it on their behalf.

[*Translation*]

ROYAL PARDON REQUESTED FOR MRS. ANNETTE PROULX

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for Science): Madam Speaker, I am pleased to support and table in the House this third petition which, together with the two previous ones, carry 25,000 names of people asking the House to step in before the Privy Council with a view to making it possible for Mrs. Annette Proulx to be granted the Royal Pardon, has been held at the *Maison Gomin* in my own riding for the past 11 years.

The people feel that Mrs. Proulx has paid her debt to society and that she should be pardoned on highly humanitarian grounds because of her advanced age. I should like to mention that Mrs. Proulx will be 75 years old on May 3, 1990.

[*English*]

PROPOSED EXPANSION OF PEARSON INTERNATIONAL AIRPORT

Hon. Roy MacLaren (Etobicoke North): Madam Speaker, I have the honour to present petitions from residents of the constituency of Etobicoke North. Pursuant to Standing Order 36, they have been certified correct as to form and content.

The residents who have signed these petitions are deeply concerned about the impact on the environment of the proposed expansion of Pearson International Airport in Toronto. The noise and other forms of pollution of the past may be increased by the expansion of the airport.

The petitioners urge upon the government several measures to help ensure that this does not happen.

VETERANS AFFAIRS

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to rise in this House to present a petition signed by numerous residents of Kingston and the Islands who object to the cuts this government proposed in the recent budget that will increase the cost of housekeeping services to Canada's veterans and will increase the charges to veterans who are hospitalized or who are in special care.

They call upon Parliament to reject these vicious, nasty cuts that the government is proposing to the persons who have served their country in wartime.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Madam Speaker, pursuant to Standing Order 36, it is my pleasure to present a petition regarding the goods and services tax. While we recognize it is before the Liberal-dominated Senate at the moment, I assume that it will be coming back to the House of Commons at some time in the future.

The petitioners humbly pray that the Parliament of Canada takes advantage of the opportunity when it presents itself and stops the goods and services tax, in other words, that a sufficient number of people in the House vote against the goods and services tax if the Senate does not do that.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I have a petition signed by hundreds of Canadians who would like to make this Government come to its senses, through the democratic process of a petition they asked me to table their names, in the matter of the goods and services tax the government proposes to implement in January of 1991.

Those people would like to raise the matter again, as we have done for a number of months, and tell the House of Commons that they hope, they pray, they very much hope the Senate will stop this government's tax folly that will increase the burden of the poor, the have-nots and the small business sector.

[*English*]

Mr. Derek Blackburn (Brant): Madam Speaker, I, too, have the pleasure to present a petition under Standing Order 36 signed by several petitioners from various communities in Ontario. They call upon Parliament to reject the current proposal for a goods and services tax and to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, Question No. 261 will be answered today.

[*Text*]

HIRING OF CONSULTANT FIRM TO ASSIST IN THE DEVELOPMENT OF THE CANADIAN CENTRE FOR OCCUPATION HEALTH AND SAFETY PRIVITIZATION PLAN

Question No. 261—**Mr. Keyes:**

Did the Canadian Centre for Occupational Health and Safety retain a consultant firm in order to assist them in the development of their privatization plan and, if so (a) what sums were paid in consultant fees (b) by whom?

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): The firm of Price Waterhouse was retained by the Canadian Centre for Occupational Health and Safety to assist in the development of a Business Plan for the period 1990–1991 to 1994–1995. Consulting fees in the amount of $85,000.00 were paid by the Canadian Centre for Occupational Health and Safety.

[*English*]

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

The Acting Speaker (Mrs. Champagne): The question as enumerated by the parliamentary secretary has been answered. Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand?

Mr. Milliken: Madam Speaker, I have a Notice of Motion for the Production of Papers that has been standing on the Order Paper since last October.

I have asked the parliamentary secretary to look into it. He told me two or three months ago that he would. Of course, I know that he has great influence with government departments in that when he makes inquiries, people move and leaves shake. It appears in this case the shaking leaves and the buzzing telephone lines have been insufficient.

I wonder if the parliamentary secretary could use his very good offices in an effort to expedite the production of the documents that are so reasonably requested in this motion that has been sitting on the Order Paper for so many months. Really, the delay seems inexorable in this case.

• (1550)

Mr. Cooper: Madam Speaker, my hon. friend has just discovered the full extent of my influence. I can tell him that I will attempt, once again, to revisit his particular motion and see what we can do to proceed with it.

[*Translation*]

The Acting Speaker (Mrs. Champagne): I wish to inform the House that by reason of the statement by minister, Government Orders will be extended by nine minutes.

* * *

GOVERNMENT EXPENDITURES RESTRAINT ACT

MEASURE TO AMEND

The House resume from Tuesday, April 24, consideration of the motion of Mr. Wilson (Etobicoke–Centre): That Bill C–69, an Act to amend certain statutes to enable restraint of government expenditures, be now read a second time and refer to a legislative committee; and the amendment of Ms. Langan.

[*English*]

Ms. Catherine Callbeck (Malpeque): Madam Speaker, today I rise to take part in the debate on Bill C–69. This legislation covers many areas and it will have a very negative effect on the province of Prince Edward Island, especially with the transfer payments. The freezing of transfer payments means that Prince Edward Island will lose about $13 million over the next two years. That is the money that is given to the provinces to help education and health.

However, today I am here to discuss and debate Bill C–69, as the party critic for Energy, Mines and Resources. This legislation, among other things, eliminates the Canadian Exploration Incentive Program, known as CEIP. The CEIP issue combines two issues that are very

important to me: mining policy and regional development policy.

Cancelling CEIP without any notice to the industry, without any consultation with the people involved, reminds me of this government's decision to close CFB Summerside. It was about one year ago, April 27 last year, that the government announced the closure of CFB Summerside, which is close to my riding of Malpeque, P.E.I.

The people of Summerside, in fact all Islanders, are feeling the effects that decision and will be feeling it for some time.

This government must realize that it cannot make major decisions that have sweeping effects on whole regions, such as the decision to close CFB Summerside, without considering alternatives and consulting the people involved.

This government's lack of planning has left an entire region of my province in limbo. People have been waiting for approximately one year for a firm federal commitment of jobs. For the past year, the people of Summerside and surrounding area have been working hard to save the base and to keep the economic security of their region intact. These people deserve nothing short of total admiration and praise from this House, for they are working against a government which does not plan ahead, which has not fulfilled its year-old commitment for jobs, and which, for all intents and purposes, does not listen to the people of my province.

The government must start to plan ahead with and for the people who will be affected by its decisions.

In the case of the cancellation of CEIP, the Canadian Exploration Incentive Program, as in the case of CFB Summerside, this government offered no alternatives and it failed to consult with the people involved. Furthermore, it failed to honour a well publicized commitment that it would give six months' notice of any change in this program. I will deal with the cancellation of this program more fully in a moment.

First, I want to describe the importance of the mining industry to Canada and the world. In terms of world-wide production, Canada is the third largest producer of minerals in the world. We are the world's foremost exporter. In fact, the mineral industry exports about 80 per cent of its production. In 1988, mineral production was valued at approximately $21 billion.

Before these minerals can be exported, they must be found and then processed, which provides the Canadian economy with about 150,000 direct jobs and many more indirect jobs. Some 120 communities, mainly in the north and remote regions, depend on mining.

The mining industry, mining communities, and the government all realize that mineral exploration is a very risky business. It requires enormous capital investment. Prospectors and developers are at the mercy of our country's geology and the world market. It is that high-level risk in mineral exploration that makes conventional investment very difficult to find. That is why governments over the years have provided various programs and allowances to offset that relatively high risk. CEIP, the program that has just been cancelled, and the Mining Exploration Depletion Allowance were both designated with this in mind.

The energy minister, in a speech to the annual convention of Prospectors and Developers Association in 1988, had this to say regarding the two programs, CEIP and MEDA, and the mining sector: "they make the sector more competitive as an investment vehicle. In terms of investment vehicles there is nothing to match flow-through shares." That is what the Minister of Energy, Mines and Resources said in March, 1989.

• (1600)

About one year after he made that statement, the government cancelled the program, which was the only mining exploration incentive program in Canada.

Flow-through shares have been around for a long while, in fact, since 1954. It was not until the introduction of the MEDA program by the Liberal government in 1983 that they were widely used by junior, or smaller, mining companies. This program was started in 1983 and was a very popular program. It was started by the Liberal government of the day, it was popular with the industry and yet this government eliminated it in 1987.

In 1988 the government openly recognized the importance of supporting these junior companies when it introduced the CEIP program. It recognized that the government had to act to maintain a healthy level of exploration in the Canadian mining industry. In May of 1988 CEIP was announced. Its purpose was to help these junior companies raise the equity they require, with the

hope that in turn they would do the exploration and the development that Canada needed.

The program actually began in 1989. I know there were problems in the beginning with the complexity of the program. It took some time before the industry was able to work through all the complicated arrangements. Once they did, they started to use it. In fact, of the $750 million spent in 1989 on mineral exploration, approximately one-half, or $375 million, was generated by flow-through shares.

Yet this government claims that CEIP was not that popular with junior mining companies. If the program was not fully utilized in 1989, it is largely because the industry was still becoming familiar with the complexity of the program. They were learning how to take the best advantage of it.

There are other reasons why 1989 exploration figures are lower than 1988. First of all, we had the effects of the elimination of MEDA. Then we had the investors who were trying to cope with the aftermath of tax reform. Of course, we had the 1987 stock market crash. The government cancelled this program after one year, citing apathy on the part of the industry as the reason. That is bad policy and it also shows bad faith. The cancellation of CEIP means that junior companies will lack sufficient investor incentives to raise the capital they need to explore.

The government has failed to provide any alternatives to this program, as was the case with the closing of CFB Summerside. It provided no alternatives and did not consult with the people involved. What we have today in the mining industry in 1990 is the same situation we had in 1988 when the government announced this program. At that time the existing 100 per cent write-off was not enough to raise the necessary money for mining exploration because it is a risky business. It was not enough then and it is not enough today.

What we are likely going to see is a decline in Canada's base metal reserves. We are also seeing the end of mineral development agreements such as the one between Ottawa and the province of Ontario. The timing of the cancellation of the program could not have been worse. But it is worse when one considers the fact that the government had promised that any changes in the program would follow after six months' notice and that the industry would be notified six months ahead of any changes. This did not happen.

The government promised it as recently as December, 1989. In an Energy Department publication called "CEIP Explained", it stated: "A minimum of six months' notice will be given prior to any change (in CEIP)". But less than five months after that promise the government cancelled CEIP without ever notifying the industry that it was being cancelled.

I think it is important that hon. members know what people in the industry are saying about the cancellation of this program. The President of the British Columbia and Yukon Chamber of Mines stated: "The (loss of CEIP) is going to have a dramatic effect on the exploration by small companies". The Prospectors and Developers Association of Canada said: "The cancellation of CEIP will render flow-through shares unmarketable, and the junior mining sector will collapse".

Those are quotes by people in the industry that certainly show the seriousness of cancelling this very important program to the mining industry in Canada. At the very best there will be a real loss of exploration incentive and that will lead to a decline in exploration and development of base metals and other mineral reserves. Such a decline will lead to fewer exports and fewer and lower export revenues.

What we will probably export, however, is not minerals but jobs, because there is a world-wide demand for minerals which will be easily met by other countries who will be eager to meet the demand.

Our reserves are already falling. From 1981 to 1988, even with the incentive provided under MEDA, Canada's reserves of base metals such as copper, zinc, nickel and lead registered declines ranging from 20 per cent to 34 per cent. Between 1988 and 1989 lead reserves did increase about 4 per cent and zinc by 2 per cent. At the same time, copper and nickel reserves fell by 2 per cent and 5 per cent respectively.

• (1610)

An article that appeared this week in the Ottawa *Citizen* quotes an energy department official as saying: "We're not out of the woods yet in regards to replenishing our reserves". Officials said any progress we are making now is far from enough to maintain our production into the 1990s. In fact, the Department of Energy estimates that simply replenishing Canada's mineral

reserves—I am not talking about expanding them, I am simply talking about holding the line—will require an annual expenditure of at least $1.3 billion a year.

In 1989 about half of that amount of about $750 million was spent in exploration. The Prospectors and Developers Association estimates that the total for 1990 will probably fall to about $610 million. It expects exploration in 1991 to fall even further. It is readily apparent that Canada needs to give some kind of assistance for the mining sector to maintain a healthy level of base metal and other reserves. Certainly, that requires a federal commitment.

Madam Speaker, I know my time is running out. In talking about this whole mining area and the cancellation of CEIP which will mean less money going to remote northern areas, that there is a very human element involved here. Small northern and remote towns in Ontario, Quebec, British Columbia, and elsewhere depend on a healthy mining industry. Certainly that is going to suffer as the result of the loss of CEIP.

I think this government's action contrasts sharply with the tradition of government support of the mining industry in the country, a tradition the Liberal party helped continue and one to which this party remains committed.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I want to congratulate the hon. member for Malpeque on her most interesting speech.

At the outset of her address she indicated that the passage of this particular bill would be very detrimental to people in her riding in Prince Edward Island. For the benefit of hon. members, I wonder if she could expand on that particular point and tell us in what way the bill is damaging in that part of Canada.

Ms. Callbeck: Madam Speaker, I want to thank the hon. member for the question. I am always pleased to talk about my province of Prince Edward Island.

Bill C-69 will have very negative effects in P.E.I. I think the area which will cause the greatest damage is the freeze on transfer payments, that is the Established Program Financing, money given to the provinces to look after health services and education.

Prince Edward Island will end up with $13 million less in 1990-91. What does that mean to our education and health system on Prince Edward Island? If the provincial government is getting less money from the federal government, it has either to raise taxes or to cut services. What the federal government has done is transfer part of the debt onto the provincial governments.

The government has to cut services and it has to raise taxes. If it cuts services, the Government of Prince Edward Island will have to cut funding to educational institutions. Tuition fees may have to be higher. Certainly, that is something that the students on Prince Edward Island are very concerned about.

Two weeks ago, I was pleased to take part in a demonstration of Prince Edward Island students where several hundred had gathered to express their concern about government cutbacks in transfer payments, because of a number of things: the transfer payments, the GST, and the cutback to the Challenge Program this year which means that fewer university students are going to have jobs this summer. The students are also upset about the student loan program. They are concerned about the transfer payments, because it may mean that the quality of education will go down. It may mean higher tuition fees. They are concerned about the GST because, for the first time, we are going to have a tax on learning. It will mean 7 per cent on books, supplies and services. If they get their hair cut, they are going to have to pay 7 per cent on that.

It is at a time when students these days are feeling really strapped, because certainly there are real problems with the student loan program. Here again, the government comes in with 7 per cent and puts a tax on learning.

It is also going to affect health care. Are the sick and disabled in the province of Prince Edward Island going to have to suffer? I certainly would hope not, but when the federal government is passing less money to the province, the province will have to increase the tax or cut services. If it cuts services, that is certainly going to affect the people who are sick and disabled.

We have the transfer payments. The hon. member asked me was how the legislation was going to affect the province of Prince Edward Island. I talked about the transfer payments, and their effect on education and

health, and about the students and their concern with the GST.

There is also a lot of concern by small business about the GST. We all know it is a very complex taxation that is coming in. A lot of small businesses are going to have to buy new equipment, such as new cash registers. They are going to have to have new accounting systems. I talked to the owner of a restaurant in my district of Malpeque last week. He was talking to me about the GST. He said: "Look, I run a restaurant. It is a very marginal business. I really cater to the working poor. They come in once or twice a week and buy a hot hamburger or a hot chicken sandwich." He said: "When that 7 per cent comes in, my clients are not going to have any money to buy a hot hamburger because that money is going to be gone on the 7 per cent to pay for the children's clothing, their haircuts, or whatnot." He went to say: "On top of that, for the money that I do take in, I am going to have to keep track of all the tax and submit that tax to the government every so often. I am going to have to get a new accounting system and a new cash register. I might as well pack it up and go work for somebody else".

• (1620)

That attitude has been expressed to me several times in the riding. Small businesses are really feeling the policies of the government, policies which are not helping small business in any way. I would think that the government should be helping small business because it is small business that provides the jobs. As we know, it has been estimated that 7 out of 10 new jobs—in fact, I read somewhere where it was claimed to be 9 out of 10—that are created in the country are created by small business. I would think that the government would be doing everything possible to encourage small business instead of bringing in policies like the GST which discourage people and make people think about getting out of business, such as that restaurant owner in Malpeque whom I talked about.

These things affect the province—the equalization payments and the announced closure of CFB Summerside which is going to take possibly $50 million out of the economy and for which the government has today provided no firm commitment for jobs. People in Summerside have been waiting for approximately a year, but there is no commitment. The government has left the people of the area in limbo. They do not know whether an industry will be coming in to provide a job for them or whether they should think of moving off the island and selling their homes. It is the uncertainty. It has created a lot of—

The Acting Speaker (Mrs. Champagne): I am sorry to interrupt the hon. member, but the time for questions and comments has now expired. Resuming debate, the hon. member for Surrey North.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I rise to talk about this bill because I think it is one of the pieces of legislation that is going to have a profound long-term effect on Canada.

Canada is a country that has a few very distinct characteristics, one of which has been our approach to basic services for people, services such as education, social services, income support programs, and health care. Particularly when we compare ourselves to the United States, one of the ways in which there is a tremendous distinction is the fact that the federal government has always had a role and responsibility in these areas. Its responsibility and role has been more than just providing funding. Canada has developed a system on a national basis that is known as our safety net.

In terms of people in dire difficulties, those with health problems or illness, loss of income, who need other types of social services or people seeking education, particularly at the post-secondary level, this bill is the starting of the erosion of those fundamental services. I think that we must recognize that this is the logical follow-up of the free trade agreement. This is the beginning of the level playing-field. This is the beginning of the erosion of our social services and health care system and all the things that the government unilaterally denied were under attack in the free trade deal.

The government said our social services were untouchable and now it brings in this type of legislation. It has already dealt a severe blow to our unemployment insurance program. It said: "Of course, our national health care schemes are not under attack." Now, it brings in this type of legislation which clearly is intended to erode these programs on a national basis. One could spend all one's time talking about the impact that these reductions in funds had on any one of these program areas.

The provincial premiers have stated that this type of unilateral changing of federal-provincial fiscal programs is tremendously detrimental to provinces and the provinces' abilities to provide services. The province of British Columbia is facing a deficit this year of $650 million. It is not in a position simply to pick up and replace the money being eroded by this legislation.

I would like to spend a few minutes looking at the whole business of the Canada Assistance Plan. I think it is important when we talk about national unity in the country to look at the part the Canada Assistance Plan has played in Canada in developing those kinds of social safety nets that have held the country together allowed people to move within Canada, from one region to another, and still be entitled to benefits.

The Canada Assistance Plan sets out very clearly in its preamble that: "Whereas the Parliament of Canada recognizes the provision of adequate assistance to, in respect of persons in need, and the prevention and removal of the cause of poverty and dependence on public assistance are the concerns of all Canadians". That is what the preamble says. It is the concern of the Canadian Parliament, not the provinces, that the focus is on, not only providing for people in need, but removal of the causes of poverty and dependence on public assistance. It goes on to say that: "It is desirous of encouraging the further development and extension of assistance in welfare service programs throughout Canada."

There are two fundamental parts to the Canada Assistance Act. One deals with income maintenance programs and the other deals with welfare services. There are a number of things that we should look at. With the income assistance program, the Canada Assistance Plan unified the country. Prior to the introduction of the Canada Assistance Plan, we used to have all kinds of things like residential requirements for someone wanting to draw welfare or income assistance. Municipalities were administering income assistance programs. They had to chase around to try to find out where someone was a resident because they would be held responsible for the cost of income assistance.

• (1630)

The Canada Assistance Plan was used as a mechanism of saying to people in Canada: "You have the ability to move from one area of the country in order to pursue jobs, to pursue a better lifestyle, or to be near family, and you are still entitled to receive income assistance". The costs would be picked up and shared between the provinces and the federal government.

It also did away with the concept of categorical assistance. Assistance must be granted based on need, and not based on some arbitrary determination that you are just and worthy, as under the Elizabethan poor laws. It was based on the fundamental concept that income assistance was to be granted to people who were in need.

Included in the Canada Assistance Plan was the right to appeal. It was a right to appeal which said that a person was not being granted this as a charity but as a right, with the legal recourse of an appeal procedure and, if necessary, access to the courts.

The concept of a national program of income support based on legislation and a right to appeal is diametrically opposed to the charity style of income maintenance programs found in the United States. It is an area in which Canada can be justly proud. This piece of legislation, which is curtailing expenditures in the three largest provinces, is going to affect well over half of all income recipients in Canada.

This is at a time when we have 1.2 million children living in poverty. This is at a time when, in the province of British Columbia, income assistance rates for a mother with two children allow her to feed her children for only two and a half weeks each month. She must depend on other sources of income, on food banks, on neighbours and even on schools for the rest of the month.

In the city of Vancouver and in my own municipality schools are having to feed children. That is not the intent of educational institutions in this country. Because of the cut-backs by this government and provincial governments, particularly governments like the Socred government, schools are having to provide basic necessities.

The Canada Assistance Plan under its assistance provisions also provides other types of services to people who are in need or who are on income assistance. It provides basic medical care, all types of medical care, including access to prescriptions and specialized medical care. It also allows for rehabilitation and getting people

who are on income assistance back into the workforce where they can become independent.

It allows for training programs to train people for jobs, for jobs that we often have difficulty filling in this country. Some of the better programs have trained people to work as care aids in hospitals or in long-term care facilities, as well as to work in day care centres.

Sometimes we use our income assistance provisions not only to help people to become independent, but to provide much needed resources in the community.

Other parts of the Canada Assistance Plan refer to basic child welfare services. These are protection services to investigate children who have been abused and neglected, and to provide counselling services for those children or, in extreme cases, alternative living arrangements.

In the last number of years Canadian society has become more and more aware of the inadequacy of our services to children. Basic child welfare services are often tremendously strained. We have just begun to understand the long term effects on people who have been involved in abuse, particularly sexual abuse.

One of the factors that emerges continually when we begin to examine many of the horrendous stories of sexual abuse is that many of the adults who are involved in abuse were themselves abused as children. We can all sit back and say how deplorable their behaviour is, and we can condemn them. But in many of the cases we should be condemning ourselves. These are the children who, if they had been provided the proper counselling services 15 years ago, if our child welfare services had been adequate, would not be the adults now engaged in abusive conduct.

I have worked in social services and corrections all my life. I have been involved in juvenile courts, juvenile street programs and juvenile prostitution. I have also been involved with teachers. There are very few Grade 1, 2 and 3 teachers who cannot tell you who are the children in trouble, which families are having difficulty, or who needs the services that are provided under the Canada Assistance Plan. They will tell you that if these services are not provided now, society is going to pay more in the future. This, in my 25 years, is something I have watched, regrettably.

I have known children who have grown up to be notorious criminals who are serving 25 or 30 years in jail. I worked with them at a time when it was said: "Let's provide more resources to this family now. It will cost us maybe $4,000 or $5,000 to provide proper counselling services, or day care so that the mother has a break, or drug counselling that is necessary to make sure that a person does not become a chronic addict". Yet the money was not provided.

Now we pay $50,000 a year to keep that person in a federal penitentiary. We will pay an equal amount to keep that person in a mental hospital. We will pay money to keep that person's family on income assistance.

The services that are provided under the Canada Assistance Plan are basic services. We are not talking about frills. Under the Canada Assistance Plan it defines what are welfare services. It states that welfare services mean: "—services having as their object the lessening, removal or prevention of the cause and effects of poverty, child neglect or dependence on public assistance". Then it lists some of the services.

The general thrust of the Canada Assistance Plan is to deal with child neglect and poverty. I cannot understand why a government would attack such fundamental programs. Its members stand up and say: "We want to deal with drug addiction. We want to deal with family violence. We want to deal with child poverty, child abuse and child neglect". That is what they say, but then they bring in legislation that is the first step to the total destruction of Canada's system of economic underpinning to provide such services on a national basis.

• (1640)

Other services that are provided are rehabilitation services, adoption services, homemaker services, day care, community development services, consulting and research. These are the fundamental services that form the structure of Canada's safety net.

I come back to the point that this legislation is not just legislation dealing with a restriction of transfer payments to the provinces. It is the beginning of an attack on our fundamental services. Obviously, it flows out of the free trade deal by which we must harmonize our social programs with those of the United States.

In the time I have left I want to talk a bit about one of the other sections covered in this legislation. I refer to the Established Programs Financing. This bill is attacking two of the other fundamental structures of Canadian society, that is health care and post-secondary education.

The province of British Columbia is in a crisis in health care. We do not have adequate health care facilities. We have a shortage of health staff.

In my municipality it is more than just a crisis, it is an absolute disaster. Surrey now has 1.67 acute care beds per 100,000 people. If you take out people who should be in long-term care facilities, that figure is reduced to 1.3. The target for the province is 3.3 beds per 100,000. The average in British Columbia is 3.8 beds per 100,000. In the City of Vancouver it is 6.4. We have less than one-third of the hospital beds that we need.

What is the impact on my community and my constituents? In closing, I will point out what the impact is. Nearly 50 per cent of the people in that municipality have to travel elsewhere for basic health care services. There are now nearly 3,000 people on the waiting list for beds in the hospital.

This government chooses to attack this type of program, simply making it impossible for fast-growing municipalities like Surrey to ever catch up in providing basic health care to the residents who so desperately need it.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Madam Speaker, it is with great pleasure that I rise to speak to Bill C-69, which follows from the budget tabled in February. That budget, hon. members will remember, had many great advantages, among which was the fact that for the first time in many years, no increases whatsoever in taxes were announced. I think it is important to mention it, because we too often hear about the budgets the federal government has tabled since 1984 and all the tax increases they contained. Unfortunately, we do not insist enough on the fact that this governement was able to introduce a budget with no tax increase for the first time in many, many years, after tabling in 1988 a budget providing for a reduction in income tax for low-income individuals and an increase in corporate tax. Also, as you will remember, we introduced a minimum tax for high-income Canadians who were legally using tax shelters. This year, even if they still benefit from tax shelters, they do have to pay their fair share of tax.

That budget must be looked at as a whole, and Bill C-69 is part of it. Our fiscal policy dates from 1984. You will recall that, in 1984, when the Conservative government was elected, there was a $200 billion debt left by our friends opposite. The $200 billion national debt was financed by borrowings and interest payments were huge.

But even more serious, Madam Speaker, in 1984, the federal government, the Government of Canada, was spending each year $16 billion more than what it was getting in tax revenue. The government of the day was therefore running an annual deficit of $16 billions in program spending.

This year, this Conservative government now in office will spend $9 billion less than it brings in, the amounts payable in interests excluded once again. That is a $25 billion turnaround over a period of five years, Madam Speaker.

That is why we can say, Madam Speaker, as the Minister of Finance did rightly, that in four years from now, our annual deficit which adds to our national debt every year, will be reduced by half. That is important, because it shows that we are finally on the right course to bring down our annual deficit to zero, for one thing. The moment that is achieved, we will finally start—I hear my colleague laugh, Madam Speaker, but it is a fact—paying not our debts but those left us in 1984 by that government who was spending, I repeat, $16 billion more money yearly that it brought in.

You can understand, as do all of those Canadians who are listening, that if they spend $16,000 more then what they earn, they will eventually end up in an intolerable situation.

Madam Speaker, that is the total picture. Since 1984, it is true that there has been cuts. Since 1984, there has been tax hikes. But, what we must keep in mind, Madam Speaker, is that those cuts made since 1984 account for 70 per cent of the redution of the annual deficit, which was at $39 billion in 1984.

Only 30 per cent of the decifit reduction comes from tax hikes. It is important to mention it. The expenditure control plan tabled in 1990 accounts for 60 per cent of all 1990-1991 government expenditures, which made it

possible to save $3 billion the first year and $4 billion the next.

Yet, it should be emphasized that exemptions are provided for under the expenditure control plan. For instance, Old Age Security pensions will not be affected and will continue to increase; the same with the Guaranteed Income Supplement and the family allowances.

The expenditure control plan will not affect the amount received by low income Canadian men and women.

• (1650)

But all the rest will be affected, which means that 60 per cent of total federal expenditures will be reduced under the budget plan tabled in 1990. As you know, Madam Speaker, Bill C-69, which flows from that budget plan, affects transfer payments to provinces. We know there are two important programs that give money to all provinces. There is the established programs financing, which applies to all provinces. Under this program, each province receives a certain sum on a per capita basis. It is a fair and equitable program for all provinces.

The other program that we know, particularly in the province of Quebec, is equalization. Under this program, the federal government gives money to provinces that are considered poorer, in addition to the money they receive under the other program. Those provinces are the Maritimes, Quebec, Manitoba and, some years, Saskatchewan. If you look at the situation since 1984 and up to 1990, the amount paid to the provinces by the federal government has increased, on average, by 6.5 per cent a year. At the same time, other expenditures of the Canadian government have increased only by 3.6 per cent a year. We see, therefore, that the federal government, which has a huge accumulated debt and a deficit just starting to be under control, has transferred annually more money to the provinces that it has spent. Transfers to the provinces, Madam Speaker, will amount this year to $35 billion. A quarter of all the money spent by the Canadian government goes directly to the provinces: $35 billion this year.

We must look at the Canadian reality. Referring to the Canadian government deficit, may be very nice, but if you are a foreign investor, Madam Speaker, and you look at what you would like to do in Canada, you will consider the Canadian government deficit, and you also will consider the situation in each and every province. And you will find that interests on the debt in provinces eat up an average of 12 cents on each dollar of revenue, that is the amount of interest paid by provinces—12 cents on the dollar. But turning to the Canadian government, the rate is 35 cents on the dollar. Which means the Canadian government, out of each and every revenue dollar, must pay 35 cents in interest not to repay the principal but simply to cover the interests.

Mr. Milliken: That is because of your incompetence.

Mr. Vincent: Madam Speaker, I hear the hon. member opposite make comments. I would like to point out to him, because he should not forget it, that since 1984 the deficit only increased because of interest charges on the debt inherited from the previous Liberal government.

Mr. Milliken: What nonsense.

Mr. Vincent: That is a fact, Madam Speaker. I will do the figures with the hon. member afterward, we will sit down together. He will see that the cost of the increased debt and the cost of the annual deficit amount to the interest on the debt inherited from the Liberal Party in 1984. That is the reality, Madam Speaker. I appreciate this annoys the opposition, but what can I do, they have to be reminded once in a while of the incompetence they showed in government for 20 years.

Mr. Milliken: Those are gratuitous figures!

Mr. Vincent: It annoys, Madam Speaker, to hear the truth.

An Hon. Member: This is because of your incompetence!

Mr. Vincent: Madam Speaker, looking at transfers to provinces in 1984-85, under the Established Programs Financing among others.

In 1984-85, the provinces received $14,5 billion from the federal government. In 1989-90, they will receive $20 billion. So, they will receive a lot more money they can spend the way they want. They don't have to account for it to the federal government. On the other hand this government, this Parliament, must report to the Canadian people every time it raises taxes. I think that that major increase of funds is in line with the needs of the provinces but it is also necessary to limit its increase in

the face of the astronomical federal debt threatening the future of our nation.

Again and again, opposition members ask for more money, less taxes, and God knows what. But we must face facts and be realistic. Appropriate measures must be taken now so that we do not end up in an absolutely unbearable situation two, three or five years down the road. It is not normal for a country such as ours to be as heavily in debt as it is, considering its population. Steps have been taken since 1984 to ensure that we get back on track. The effort that we are requiring from the population with the cuts and the tax hikes is a collective effort on the part of all Canadians. We are asking everyone of them, whatever the province they live in, to share in this collective effort, as well as the provincial governments, which have also spent much more than the federal government since 1984. If we look at the rate of increase of their spendings, we see that it is almost double that of the federal government spendings.

There is a certain lack of logic in having the federal government collect taxes from Canadians, take the money, give it without any conditions to the provinces and tighten its belt while the provinces increase their expenditures. I can understand why they spend more because the needs are increasing. But Canada as a country has a debt and we must all work on it together, as individuals, provincial governments, social groups and everyone else, to make Canada less indebted in future and in the hope that one day the debt will be gone and we can do something with the money now being wasted.

Just think that it costs us $35 billion a year in interest. How many programs and organizations could be helped with the $35 billion now being wasted on interest? Again, on a debt left to us by the former government which spent—

Mr. Milliken: You doubled the debt!

Mr. Vincent: —thoughtlessly for 20 years. We are trying to pick up the pieces. We are trying desperately, with everyone's help, to solve this debt problem, because we are accused of doubling the national debt. It is a simple calculation. When we were elected, the debt was $200 billion. Ten per cent of that is $20 billion. Two hundred billion at 10 per cent gives $20 billion in interest we had to pay, not on our debts but on the debts you left. However, those $20 billion increased the deficit instead of being used to help Canadians. And my colleagues criticized the GST!

• (1700)

Madam Speaker, the present federal sales tax is more than 65 years old. When I was doing my masters degree in tax law more than 10 years ago, our professor said: "This tax is bad for the country! We keep hoping every year the Liberal government will change it". Madam Speaker, the Liberal government at the time never had the political courage to bring about this change.

The GST is a good thing for Canada and for Quebec. At last our industries will be able to get ahead, go outside the country and compete with foreign industries that come and try to sell their goods here. And it will be fair and equitable. It will be fair and equitable for Canadians, including Canadians on low incomes.

Those with an income of $30,000 or less will benefit under the GST, Madam Speaker. They will have more money in their pockets at the end of the year then they had this year.

Mr. Speaker, I would urge my colleagues on the other side of the House to read a number of articles on the subject that appeared in *La Presse*, where the figures were given by an experienced journalist, without political overtones. He proved, providing the appropriate figures and examples, that to people with an income of $30,000 or less the meant was a net gain at the end of the year. Those are not my words, Madam Speaker. That is what was said in an article that appeared in *La Presse* a few weeks ago. I urge my colleagues to read that article. It is very instructive.

Madam Speaker, in concluding, Bill C-69 must be passed as soon as possible. I hope my colleagues across the way will vote in favour of the bill so that we can proceed with the financial and administrative reorganization of the Canada they left us in 1984.

[*English*]

Mrs. Beryl Gaffney (Nepean): Madam Speaker, Bill C-69, which is before the House today, is a devastating indictment of this government. It is a sorry state of affairs that this government, in the name of debt reduction, should devastate two particular areas that

have always been considered very sacred in this country. I refer to the areas of health and education.

Bill C-69 is typical of the pass the buck philosophy of the present government. Instead of taking on its responsibilities, it has passed them on to the provinces. This is the third time since this government came into office in 1984 that it has attacked the Establish Programs Financing. Either the provinces will have to raise their taxes or the hospitals and education systems will have to absorb the costs.

The total loss to the provinces over the next five years will be $7.4 billion. If we add the two previous cuts announced by the government, we find that the cumulative reduction in federal contributions from 1986-87 to 1994-95 amounts to $31.1 billion.

On March 24, 1982, the current Minister of Finance said in this House: "Let us not make hospitals, universities and colleges a battleground between the federal government and the provincial governments. Let us solve those problems outside of the arena."

Yet that same member, who is now the Minister of Finance, has brought forward a budget that does exactly those things.

With respect to post-secondary education, the Prime Minister betrayed once again his own promise to have first-class education for our youth. In so doing, he made a mockery of the national task force on education that he himself created.

I quote a statement from the Prime Minister: "This government will carry its fair share of the burden to ensure that all young Canadians receive a first-class education as they confront a world-class challenge." That statement was made by the Prime Minister on August 25, 1989.

Also under Bill C-69, growth under the Canada Assistance Program will be limited. Under CAP the federal and provincial governments share equally in the costs of welfare payments and basic necessities such as food, shelter, clothing, dental care for the poor and essential services for the disabled. This is the first time in the 24-year history of the program that CAP has been limited. Ontario, Alberta and B.C. are the only three provinces to have a limit. Does the government think for one minute that the poor in Ontario are less poor than the poor in Quebec? To me, poor is poor is poor, regardless of which province you come from in this country.

The Canadian Exploration Incentive Program, which provides for a grant of 30 per cent of the cost of resource exploration—mining, oil and gas—financed with flow-through shares, was cancelled as of budget day. The elimination of CEIP will have a devastating impact on primary exploration in Canada, with junior exploration firms bearing the brunt. We can expect a substantial reduction in mineral exploration at a time when Canada needs to replenish its dwindling base metal reserves. Already in 1989 the amount spent on exploration was down from $1.2 billion in 1988.

This is another broken promise by this government. On May 3, 1988, the Minister of State for Forestry and Mines said: "This rate, 30 per cent, will be guaranteed for two years until the end of 1990, after which the rate may be adjusted." Can we ever believe anything that the government tells us?

Under Bill C-69 public utilities income tax transfers are frozen. The Public Utilities Income Tax Transfer Act provides for the transfer to provinces of 95 per cent of the federal income tax collected from certain privately owned electric and gas utilities. Transfers will be frozen for two years at the 1989-90 levels, reducing projected expenditures under the act by $16 million in 1990-91 and $34 million in 1991-92. PUITT was implemented in 1986 and its purpose was to put private electric and gas companies, which pay federal tax, on an equal footing with Crown corporations in the resource sector, which do not pay tax.

Canadians have every right to be cynical about this government. We in the Liberal party oppose Bill C-69. Interest rates are high, and if this government continues with its present policies more unemployment will be created. Provinces will be less able to cope. The people who are less able to cope, who are the poor, the handicapped and the sick, will suffer the most. The government is asking those people to help reduce the deficit, one which it has doubled since coming into office, while others are getting off scot-free.

• (1710)

This government has lost all sense of propriety and this is a reflection of the extreme limits to which it will go to force its will on the people.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I am very happy to enter the debate this afternoon on Bill C-69.

Bill C-69 looks rather innocuous. It is just a few pages with a nice title on it. It has all the proper logos and the Minister of Finance has his name at the bottom. It really looks very straightforward, very simple.

I suppose in one respect it is very simple. The bill is entitled, "An act to amend certain statutes to enable restraint of government expenditures". That is another way of saying that this is a bill to dismantle Canada. This is a bill to begin the destruction of what we know as being Canadian. I do not think the title is very accurate. The government missed the boat there. Maybe it should have said that this is the beginning of the end of Canada as we know it act, or this is a bill that begins to undo what Canadians have struggled to achieve for, in some cases, generations. There is a whole set of more appropriate titles than the one given to Bill C-69.

I have listened with interest to the previous speakers, and I can only assume that Conservative members have not visited their constituencies in the last few months because if they had they would know what the people of Canada are saying.

For example, one item in the bill refers to the Canadian Exploration Incentives Program Act. This is a program which for many years provided incentives and encouragement for those people who go prospecting for new mineral deposits. That is what much of the basis of our economy is built on, particularly in British Columbia. Mining is our number two industry. It is second in importance in terms of employment, investment and attracting capital into our part of Canada. But, of course, it depends upon those people who go out and explore.

Exploration companies normally are small companies. They tend to be Canadian-owned companies. They tend to keep their money in Canada, in their communities, and provide employment for people to seek out new mineral deposits and then develop them into potential ore bodies for production. In other words, they are the lifeblood of the mining industry.

The government has decided to take away encouragement, support and incentive for these folks. These are people of whom we as Canadians are proud, because they take those Beaver airplanes up into the north and hike and live in the muskeg and so on. They discover what has made this country known around the world for its huge mineral deposits and developments.

But the government no longer wants to encourage people to do that. As you know, Madam Speaker, the statistics indicate that mining exploration in Canada has fallen off in the natural gas and oil sectors, as well as in the mining sector. So exploration activity in all of the primary resource areas is falling off because of the high interest rates. The stock markets are also falling so we cannot look to the stock market for a place to raise revenue for exploration.

While the whole bottom is falling out of the exploration business, the government says: "We have a great idea. We are going to cause even more pain. We are going to inflict more suffering on to this critical sector of the economy by pulling out our support". One wonders what on earth would motivate a government at this critical time in the mining industry to make life worse for those people who seek out new mineral deposits.

That is not the worst of it. I find it passing strange when I look through this bill to find that the government has come up with what it thinks is an appropriate idea for the 1990s, and that is to cut back support for young people going into education.

When looking around the world and, in particular, at all European countries, one sees that nations are investing in their young people. They are investing in their universities, colleges, vocational schools, technical schools, and training institutes. They realize that to invest in their young people—and to reinvest in those who are not young people anymore but require new skills to meet the demands of a knowledged-based economy of the 1990s—they have to invest in their colleges, universities, and post-secondary institutions.

Europe is doing that. Countries in the Far East, such as Japan which is a major competitor on the international markets, are investing heavily in what they know is their most important resource, their people. We have to be the only country in the world that is going to reduce support for education, that is going to reduce the funding that we normally would give to our universities and colleges. I find that almost unbelievable.

I must tell you a little story, Mr. Speaker. Over the last few weeks I made a point of visiting a number of high schools in my constituency. I visited Kamloops Secondary School, North Kamloops Secondary School, Chase

Secondary School, Logan Lake Secondary School, Barriere Secondary School and Clearwater Secondary School as well as Caribou University College.

I had a chance to meet with students informally and to address some larger assemblies as well. I asked whether they would believe that there is a government in the world that is curtailing its support for education. They said they could not believe that and wondered what backward country that would be. I asked whether they could believe that there is a government now in the western industrialized nations that is cutting back on support for student loans and that is now imposing user fees for those students who want to obtain a loan.

This was the one that really caught their attention, Mr. Speaker. You will love this one. I asked if they knew what country in the world is now imposing a tax on reading. There is only one in the whole world. The students did not know which it was. I said that it is Canada. The Government of Canada is imposing a tax on literature; on newspapers, magazines and books. This is the only country in the entire world doing this.

I think we are also the only country in the world that has now imposed a user fee for those young people who need to borrow to pursue education. We know education is very expensive these days. It is a $10,000-a-year ticket for a single person to go off to college or university. Not many people can afford $10,000 a year to go to university, college, or vocational school. If one have two or three children in one's home, that is a lot of money. We depend on the ability of young people to go out to work in the summers so that they can derive income to at least pay part of their way along with loans, bursaries and, perhaps, help from friends and family.

What government do you think, Mr. Speaker, curtailed investment in summer work programs for young people? What government do you think decided to cut back on the Challenge 90 program, a program to encourage the private sector, the non-profit sector, and the public sector to hire students in the summer so that they can afford to go on for post-secondary education? Do you know what government cut back on that by 30 per cent in my constituency this year? It was the federal government.

It is bordering on madness when the Government of Canada says it is going to cut back on support for students' summer programs, it is going to impose a user fee on loans for students, it is going to cut back on funding to the universities, colleges, and vocational schools across the country, and it is going to tax reading.

No wonder students are standing around a little dazed these days wondering what on earth is coming next. I suspect they get up in the morning and dread reading the newspaper to find out what the federal government is going to be doing next to the young people of the country.

Do the Conservative members in the House of Commons realize what is in Bill C-69? Do they support this notion of cutting back support to the colleges and universities across the country at a time when every other country with which we compete is investing heavily in these areas? I do not think they do. I encourage my friends opposite to at least look at this bill before we are asked to vote on it later today.

• (1720)

What would you think, Mr. Speaker, of a government that says: "We have to pick on somebody now and we have decided to pick on sick people"? What kind of a government would it be in a country that picks on sick people? What would one think of a government that says to the poorer provinces: "Rather than assist you, as a central government should, in the development of your health care system in terms of your hospitals and your long-term care facilities, which would give relatively equal access to decent health care across the country, we are going to begin to curtail our support"?

If one is sick in some parts of the country, particularly in a have-not province, one will not have the same access to decent health care as one would in a wealthy province. Do we want a Canada where health care is available at a reasonably high level in certain parts of Canada and at a lesser level in other parts of Canada?

The reason the federal government got involved in the first place was to provide uniform health care across the country. It did not matter whether one was sick in Nova Scotia, Manitoba or Ontario. One would get the same medical treatment. One would have the same access to quality health care. But this government said: "We are

now going to abandon that tradition". What kind of an uncaring government would do that?

Mr. Milliken: A Tory government.

Mr. Riis: As my friend says, a Conservative government. I can only assume that that is the government that is doing it. It is cutting back on health care and cutting back on support for sick people in the country.

This is the same group that took a slap at veterans in hospitals in its budget. It said: "Look, folks, you have to pay more." These are people who were prepared to die for their country, die for what we have struggled to achieve in this country. They were prepared to die. As a result, they are very sick and are now in hospital. Yet, the government says: "We are going to have to charge you folks more." Such actions really make one wonder.

On top of all this, in just a couple of days, these petitions have come in from one constituency, the constituency of Kamloops. These petitions represent people speaking out against the goods and services tax. There are hundreds and hundreds—maybe thousands—of names that have arrived in just a few days.

I see my hon. friend from the Liberal party is here. He knows that the goods and services tax is now before the Liberal Senate.

Mr. Milliken: Thank goodness for a Liberal Senate.

Mr. Riis: We are counting on it. We realize that the father of the goods and services tax was our good Prime Minister. Now, we have Allan MacEachen as the godfather when it is before the Senate. We will have to see what the Liberal Senate is going to do with the goods and services tax. Time will tell. We will all be watching and waiting with bated breath to see whether or not the Senate does the correct thing.

What else have we got in this legislation? In Bill C-69, the government cuts out support for the mining exploration sector. Then, it decided to cut back on funding for post-secondary education. Of course, what that means is that we perpetuate the hewers of wood and drawers of water type of life-style we have been fighting and struggling to overcome for many years.

Then, the government cuts back on health care funding in this bill. What else could it possibly do? The one area that springs to mind is social services. I refer to programs to help single parents and the poor of Canada. Surely, the government would not cut back on those programs.

When you get to page 5 of the bill, there it is. The government indicates that it is going to cut back on the Canada Assistance Plan, which means cutting back on social services and social programs for the poorest people in Canada.

One of the banks we have in the country that is thriving in terms of business is the food banks. When you drive through large cities like Toronto you see a lot of McDonald's hamburger places with those golden arches. They seem to be on almost every corner as you drive through the city. Do you know that there are more food banks in Toronto than McDonald's hamburger joints? That is only one city. We have thousands and thousands of people who every day line up to get a food hamper because their social services simply cannot meet the needs of their families.

As members of Parliament, we are all aware that in our own constituencies there are families on social assistance with two or three children and, in particular, single parents, who come to us with escalating rents and escalating costs to say: "By the end of the month, I do not have any money. I have to go to the food bank. I have to go to the thrift shop to get a pair of used running shoes for one of my children".

We have hundreds of thousands of people living on the very edge and, quite frankly, if we are going to be honest, over the edge. On what they receive in social assistance, particularly in the large urban areas, it is simply impossible to sustain those individuals and families.

What is the federal government going to do about that? Is it going to improve that situation? No, it is going to make it worse, it is going to cut back on its support for social services in the country.

I know that some of my friends across the way on the Conservative benches are saying: "That is all right, Mr. Riis, you can go on and talk about this all day, but where is the money going to come from? Where is the money going to come from if we are going to continue education?" Let me make a modest proposal.

Under the tax systems of most countries around the world, when an individual or family receives a huge inheritance of many millions of dollars—perhaps in some cases $10 million or $20 million—they pay tax on that. Canada is one of the few countries in the world where one does not pay any tax if one inherits a large sum of money. I am not talking about somebody inheriting a family farm, a family business or a family house. I

am talking about people who end up with a windfall inheritance of many millions of dollars. Not a single penny of income tax has to be paid on that. We say that is not right. If it can be done in other countries like the United States, why do we not do it here in Canada?

Let us look to the United States. In the United States, in 1986, President Reagan noticed that there were thousands and thousands of profitable corporations that did not pay any income tax at all, year after year, and he said that was wrong. He wanted to close that loophole so the President of the United States introduced a minimum corporate tax. Those thousands and thousands of corporations that were making good profits and could use all the fancy loopholes the system, and had first rate tax lawyers and tax accountants to enable them to get into a non-taxable situation, had to pay at least a minimum corporate tax, which generated billions of dollars.

Do you know, Mr. Speaker, that there was not a single corporate spokesperson in the United States who spoke out against that initiative? Not one. I mean, how could one not? If one makes $400 million and is asked to pay a few dollars income tax, how could one say one ought not to be doing that? Not a single person spoke out in any serious way against that initiative.

Why do we not have that in Canada? Why would we not have the same thing in Canada so that those 65,000 profitable corporations that do not pay any income tax whatsoever, year after year, pay their fair share? We are not asking for them to pay exorbitant amounts. We are not asking them to pay significant amounts, just their fair share. If they paid just their fair share, we would generate hundreds of millions of dollars that we do not presently generate to support programs such as helping our young people get a decent education or helping people who are sick have access to long-term care beds.

In the city of Kamloops, we have a major hospital yet I personally know a number of individuals who are waiting months for surgery. There is a list of over 2,000 people waiting for surgery. If one has a heart problem, the province of British Columbia says that one should go down to the United States and have one's operation because we do not have any room. That is not the kind of health care system that we developed in this country. Our health care system needs to be supported and this bill does exactly the opposite.

I draw to your attention something I came across today. These are some interesting figures, hot off the press, that point out how the tax system in Canada has shifted. Back in 1950, the amount of revenue that came in from corporations and individuals was even, it was balanced. Fifty per cent came from the corporations and 50 per cent from individuals.

Over the years, as a result of a number of Liberal, as well as Conservative governments, this is no longer 50 per cent. It has shifted so that today 79 per cent of the taxes come from individual Canadians and 21 per cent comes from corporations. That is quite a shift over just a handful of years. While individuals have been gouged, gouged, gouged, corporations have been getting a better deal than ever, particularly since the 1950s. Over the years, the corporate sector has been the major beneficiary of our tax system at the expense of individuals, which we are all well aware of.

• (1730)

May I make another suggestion in terms of where we can obtain funds for reducing both our deficit and our debt.

By the way, I noticed with interest the previous speaker in the Conservative benches was concerned about the debt. I have to remind that individual that since the Conservatives have become government in our country, the debt of the country has risen from about $150 billion to nearly $400 billion. In other words, we have seen more than a 100 per cent increase in the country's debt during this particular government.

To talk about their concern, it would not appear they have much concern. If they did, may I suggest something that the government could have done in terms of gaining more revenue?

I have all these petitions against the goods and services tax. One of the reasons that people are concerned about the goods and services tax is because they know the system is unfair. When the system is unfair, an underground economy builds. Some economists now suggest that it is as high as $100 billion in untaxed transactions each year. If the underground economy is that size and was simply taxed at the regular tax rate, that would be the amount of our deficit on an annual basis. That is

what is going to happen, an increasing underground economy.

In closing, I would like to say that obviously we in the New Democratic Party do not support Bill C-69. We do not think that curtailing support for education, health care and social services in this country, particularly during these very difficult times, is the right thing to do. As a matter of fact, it goes against what we know as being Canadian.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I would like to thank you for allowing me to participate in this debate which deals with the government's expenditure restraint act, Bill C-69.

As you will no doubt agree, Mr. Speaker, the Conservative government's record clearly demonstrates a litany of broken promises, of misguided and mean-spirited policies which have attacked average taxpaying Canadians, and left them a little more dispirited and a little more disenfranchised than they were before the Tories came to power.

Canadians have had enough. Indeed, the latest opinion polls confirm that the Prime Minister and his government are the most unpopular government in all of Canadian history. Only 15 per cent of all Canadians support the present administration. With that kind of support, the government ought to be asking itself very serious questions.

Moreover, it should realize that something is seriously wrong. What kind of government would pursue a misguided policy, such as the Government Expenditures Restraint Act, when it knows that it is the most unpopular government in our history? I will tell you what kind of government, Mr. Speaker. One that has lost touch with reality, one that has let power go to its head and one that has a complete disdain for the average Canadian.

The oligarchs of ancient Greece used to say that we are the enemies of the people, and we shall devise all the methods which we can to harm them. Unfortunately, the Conservative government is not nearly so frank. From free trade to the unemployment insurance reform, to the clawback of old age pensions, family allowances, to the goods and services tax, to the cut-backs in VIA Rail, to the cut-backs in veterans' affairs, cut-backs to summer employment for student programs, the long list of the government's mean-spirited initiatives clearly demonstrates that the government is taking its frustrations out on the backs of the Canadian people.

That is right. The government is frustrated because it has failed to fulfil its promise to balance the budget. The deficit is still hovering around $30 billion yearly, and the government has doubled the national debt since it came to power in 1984. Think of it. This government which preached that it intended to balance the budget and exercise fiscal restraint, has done more to increase the public debt than all other Canadian governments combined. That debt now stands at a walloping $320 billion. After having taken individual Canadians for all they were worth, this government has realized that it would have to find another victim upon which to lay the responsibility for its financial mess. Since it knew that it would never get away with another program cut, or another tax hike, and it realized that its options were limited, it opted to lay the burden of its death on the shoulders of the provinces. The freezing of federal transfers will cost the provinces an estimated $7.4 billion over the next five years. That is a lot of national reconciliation.

As you know, Mr. Speaker, the federal government transfers approximately $24 billion of its $943 billion budget to the provinces under three specific programs. That amount compares with $39.4 billion to service the debt and $32.6 billion in transfers to individuals. Moreover, two of the programs which federal-provincial transfers served to finance are being attacked by Bill C-69, the bill that we are debating today.

First is the Established Program Financing which provides provinces with equal per capita block grants pertaining to the provision of health care and post-secondary education, and second, the Canada Assistance Plan which matches provincial payments for social assistance and social services.

For instance, the cuts to the Established Program Financing will cost the province of New Brunswick $206 million from 1990 to 1995. Looking at the figures from 1986 to 1995 provides an even gloomier scenario. Over that period Conservative policies will have cost the province $1.057 billion. That is not a government which

cares for the health and welfare of the people of New Brunswick and of Canadians.

The passage of this legislation will represent the third time that the Conservative government has attacked the Established Programs Financing since 1986. Cumulatively, EPF cut-backs between 1986 and 1995 amount to the astounding sum of $31.1 billion, of which $22.2 billion should have been allocated to health care and $8.9 to post-secondary education.

It is hard to imagine that the government would savagely attack education in Canada in this manner. The Prime Minister claimed at a Progressive Conservative general meeting last August, and I quote:

> This government will carry its fair share of the burden to ensure that all young Canadians will receive a first-class education as they confront a world-class challenge.

The tragedy is that the Prime Minister's words are contradicted by the actions of this bill. At a time when student enrolment is up by 35 per cent and when operating budgets are down by 19 per cent, the Prime Minister's actions spell disaster for post-secondary education in Canada.

Bill C-69 helps to demonstrate the government's inability to deal with the problems faced by students and young people across Canada. As a result of this legislation, post-secondary education will be faced with harsh alternatives which may include a combination of tax increases and higher education costs in general.

I believe that the Canadian Association of University Teachers summed it up best when its representatives declared that the last budget "makes a mockery of the federal commitment to the young men and women of this country. The magnitude of the reduction is insupportable".

It is obvious that the provinces could make up for any federal cuts to the cost-sharing program out of their general revenues. However, when federal transfers to the provinces are reduced, university budgets generally follow suit. Ultimately it is the students who suffer.

Last February the Association of Universities and Colleges of Canada warned the finance minister in a pre-budget submission to him that cutting transfer payments under the Established Programs Financing would be harmful to provincial grants to overcrowded and under-funded universities.

The Association of Universities and Colleges of Canada's submission observed that federal government support for higher education has declined by 20 per cent since 1977, while university enrolment has increased by 35 per cent over the same period. If this trend continues, there is a definite possibility that the current federal policy of matching grants to universities from private sources will be discontinued when the policy runs out in 1991.

Clearly the government's policies are creating a system whereby only those students who are from the wealthiest backgrounds will be able to aspire to a higher education. It is heart rending to imagine that the Canada our forefathers created, a caring, peaceful, just and tolerant country, will have become an elitist society where only the few can hope to gain from the benefits of a higher education. This trend clearly flies in the face of Canadian tradition, and the government will have to answer for its actions.

• (1740)

Let me remind the government that Canada is a country which values equality of opportunity and social justice. Any government that tampers with these truths runs a considerable risk, indeed.

If this government thinks that it had a hard time with Canadian seniors when it tried to deindex their pensions, just wait until the students begin to protest these cut-backs and the treatment to which they will be subjected if this bill passes.

Time and again we have heard from the Conservative government that Canada must be able to compete in a global economy. Time and again we have heard it said that Canada needed more funding for research and development. Time after time we have heard this government proclaim how much it intended to do to put Canada back on the right track after years of alleged Liberal mismanagement, yet the facts clearly demonstrate their governing philosophy is "Let the fittest survive and the rest will have to make do with less".

The problem with this government is that it likes power too much. It knows it intends to slash social programs, but it cannot bring itself to be frank with the Canadian electorate and tell them because it knows it will tossed out on its ear. But after six years of being told one thing and then being subjected to treatment that is completely at odds with those words, Canadians have had enough. Indeed, the polls indicate that this government is the most unpopular government in history.

Canadians are telling this government that they are not impressed. This brings to mind a saying "If you fool me once, shame on you. If you fool me twice, shame on me".

Canadians are onto this government's intentions. They see clearly and they are not being fooled by the Prime Minister's sweet-sounding rhetoric. They know that this government is the one which swore it would never do anything to undermine Canada's unemployment insurance system, and then proceeded to gut it through legislation now before the other place. They know this is the government that promised never to slash VIA Rail services but did so at the first opportunity. They realize that this is a government which promised never to touch old age pensions and family allowances, but clawed them back without so much as a second thought. They realize that this is the most unpopular government in history and are telling themselves that they have had enough and will not put up with it much longer. Canadians are sick and tired of this government.

[*Translation*]

Finally, Mr. Speaker, total cuts in health care in this bill will amount to $5.247 billion for the next five years. And that is not all, far from it. If we take into account cuts in Established Programs Financing from 1986 to 1995, the total comes to $22.154 billion. You will agree, Mr. Speaker, that these budget cuts are absolutely outrageous.

It is most ironic that the Prime Minister, who as we know admires the American way of doing things, is cutting back on health care financing at a time when Americans are looking with envy at our health care system.

Mr. Speaker, the truth is the Canadian medicare system does not take up more than 8.5 per cent of the National Gross Product, compared to 11.5 per cent in the United States, despite the fact our system is universally socialized. Our system is not perfect but it provides Canadians with the best, the most economical and efficient health care in the world. It is more than popular; 85 per cent of Canadians believe it to be our most important social service. About 60 per cent of the people who responded to a recent survey in the United States said they were in favour of establishing such a system in their country. The Canadian government is nonetheless bent on transforming a program this is the envy of the whole world into a nightmarish and under-financed program.

Madam Speaker, it is obvious that our medicare system is being axed by this government, and that it will look more and more like the American system. Furthermore, this government is showing us that it wants the provinces, and consequently the middle class and the poor, to pay more taxes. Of all policies put forward by this government, the cuts in medicare are the most reprehensible and repugnant simply because they make health care a luxury. If the provinces decide not to raise their taxes, they will have to pass on the cuts to hospitals, which in turn will be forced to cut the nomber of beds, reduce costly operations, and so on. As a result, Madam Speaker, the Canadian taxpayers will have once again to pay the bill.

It is ironic that this Bill should be introduced by the Minister of Finance who said a few years ago: "Let's not make hospitals, universities and colleges a battleground with the provinces. Let's find a solution outside these fields."

You know, Madam Speaker, power is a strange thing. A famous English writer, Lord Acton, said in this regard: "Power has a tendency to corrupt, and absolute power corrupts absolutely."

However, power does not always exact such a toll. Twenty-four years ago, the Liberal government of Prime Minister Lester Pearson created the Canada Assistance Plan. This agreement provided for a shared financing, between the federal and provincial governments, of social assistance programs.

Nevertheless, the government decided in its last budget to limit to 5 per cent the growth of the transfer payments made under the Canada Assistance Plan to the provinces of Ontario, British Columbia, and Alberta. For the first time since the beginning of this program 24 years ago, the federal government was limiting its contribution. That means that Ontario stands to lose $90 million in revenues in the next five years, Alberta, $28 million, and British Columbia, $38 million.

In order to justify his decision, the Minister of finance, in the budget Speech he made in 1989, stood up for the clawback of family allowances and old-age benefits, claiming that, and I quote, "the central purpose of social security is to assist those most in need, not to subsidize those with high incomes." But then the measures included in that budget were attacking the poor people in Canada. The governement could use a reminder that

poor people in the provinces of Ontario, British Columbia and Alberta are just as poor as those in the other provinces.

Besides, let us keep in mind that social welfare payments have yet to enable a poor family to rise above the poverty line.

A few days after the last budget was tabled the provinces of British Columbia and Ontario announced their intention of having the courts rule on the propriety of the CAP cut-backs unveiled in the budget. This legal hassle might delay the introduction of this measure until the courts have rendered their decision. Alberta stands four square behind these two provinces. The contesting provinces argue that, under the CAP agreement, arrangements cannot be changed unless a year's notice has been served, and with the consent of the provinces. None of these conditions has been met.

• (1750)

Madam Speaker, in closing I want to say that the Liberal Party is adamantly opposed to Bill C-69 because it amounts to an assault on medicare, post-secondary education and the Canada Assistance Plan. These programs are the basis of Canadian society and as such should be immune to the frustations and meanness of the government.

[*English*]

As the right hon. member for Vancouver Quadra said some time ago, let us hope that hospitals will not be checking our credit cards before they check our pulse. I am afraid that this bill may lead us in that direction.

The Acting Speaker (Mrs. Champagne): Point of order. The hon. member for Kamloops.

Mr. Riis: Madam Speaker, there have been discussions and it is the interest of the government to refer this bill, not to a legislative committee, but to the Standing Committee on Finance.

As you know, Madam Speaker, we have had some difficulties with the Chair of the finance committee and the way he has done business. I understand, however, that he has taken significant steps today to resolve our concerns. We will be filing a report with the House tomorrow. I would like to say, assuming that that is accomplished, it would be our intention at that time to ask for unanimous consent to have this bill go to the Standing Committee on Finance. At the moment it is destined to go to a legislative committee until the report from the standing committee is tabled in the House.

[*Translation*]

Mr. Vincent: Madam Speaker, my understanding is that the Official Opposition and our party are ready to send the bill to the Standing committee on finance and I am anxious to hear the NDP's answer tomorrow, so that we may send bill C-69 to the Standing committee on finance instead of a legislative committee.

So, Madam Speaker, I believe we will be asking for that permission tomorrow, with the consent of the Liberal Party.

[*English*]

Mr. Milliken: Madam Speaker, I concur. We would be prepared to see the bill referred to the Standing Committee on Finance instead of a legislative committee. Given what the hon. member for Kamloops has said, it appears that since there is not unanimous consent tonight I guess we will have to deal with the motion before the House as it is.

I presume that tomorrow, if everything goes according to the plan of the hon. member for Kamloops, the House will be able to re-refer the bill, or call it back from one committee and refer it to another. It sounds unusual but I guess it can be done and I am quite prepared, on behalf of the Official Opposition, to say that we will, of course, consent.

The Acting Speaker (Mrs. Champagne): The hon. member does know the House can do whatever it wants. I am sure that the House is happy to see that there is movement toward co-operation and understanding. We will look forward to the decision.

Is the House ready for the question? The hon. member for Cape Breton—Highlands—Canso.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Madam Speaker, I just wanted to compliment my colleague, the member for Restigouche, on the way in which he addressed this legislation.

The reduction in transfers will have a dramatic effect particularly on Atlantic Canada, which benefits the most from assistance payments which are affected by this legislation. Will the hon. the member elaborate on some of the comments he made with particular concern to New Brunswick?

The Acting Speaker (Mrs. Champagne): Unfortunately, there will not be time for the hon. member to elaborate.

[*Translation*]

It being 5.54 p.m., pursuant to order made Tuesday, April 24, 1990, under S.O. 78, it is my duty to interrupt proceedings and put forthwith every question necessary to complete the second reading stage of the Bill now before the House.

[*English*]

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. Champagne): All those in favour of the amendment will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Champagne): Call in the members.

The House divided on the amendment (Ms. Langan), which was negatived on the following division:

(*Division No. 246*)

YEAS

Members

Althouse	Arseneault
Axworthy (Saskatoon—Clark's Crossing)	Baker
Bélair	Black
Blackburn (Brant)	Boudria
Caccia	Callbeck
Campbell (South West Nova)	Catterall
Crawford	de Jong
Ferguson	Finestone
Foster	Gaffney
Gardiner *Gauthier	Grey (Beaver River)
Gray (Windsor West)	Harb
Guarnieri	Heap
Harvey (Edmonton East)	Hovdebo
Hopkins	Karpoff
Hunter	Kristiansen
Keyes	Langdon (Essex—Windsor)
Langan (Mission—Coquitlam)	Lee
LeBlanc (Cape Breton Highlands—Canso)	MacDonald (Dartmouth)
MacAulay	Manley
MacLellan	McGuire
Marleau	Milliken
McLaughlin	Mitchell
Mills	Parker
Parent	Pickard
Phinney	Prud'homme
Proud	Riis
Rideout	Skelly (Comox—Alberni)
Robichaud	Vanclief
Taylor	Young (Gloucester)
Wood	
Young (Beaches—Woodbine)—61	

NAYS

Members

Anderson	Andre
Atkinson	Belsher
Bertrand	Blackburn (Jonquière)
Blenkarn	Bouchard (Lac-Saint-Jean)
Brightwell	Cardiff
Champagne (Champlain)	Clark (Yellowhead)
Cole	Collins
Cook	Cooper
Corbeil	Côté
Crosby (Halifax West)	Danis
Darling	DeBlois
de Cotret	Dick
Domm	Dorin
Duplessis	Edwards
Epp	Fee
Ferland	Fontaine
Friesen	Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)	Greene
Gustafson	Halliday
Hawkes	Hicks
Hogue	Holtmann
Hudon	Hughes
Johnson	Joncas
Kempling	Koury
Langlois	Larrivée
Layton	Leblanc (Longueuil)
Lewis	Littlechild
Loiselle	Lopez
Marin	Martin (Lincoln)
Mayer	Mazankowski
McDermid	McKnight
Merrithew	Mitges
Monteith	Moore
Nicholson	Oberle
O'Kurley	Plamondon
Porter	Pronovost
Reimer	Ricard
Richardson	Robitaille
Roy-Arcelin	Schneider
Scott (Victoria—Haliburton)	Scott (Hamilton—Wentworth)
Siddon	Sobeski
Sparrow	Stevenson
Tétreault	Thacker
Thompson	Thorkelson
Turner (Halton—Peel)	Valcourt
Van de Walle	Vankoughnet
Venne	Vézina
Vincent	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)	Worthy—100 *ediv

• (1820)

[*Translation*]

The Acting Speaker (Mrs. Champagne): I declare the amendment negatived. The next question is on the main motion.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I think that if you asked, you would obtain agreement to have the vote on the New Democratic Party's motion apply in reverse, I suppose, to the main motion.

The Acting Speaker (Mrs. Champagne): You have heard the suggestion of the hon. member for Ottawa—Vanier. Is there unanimous consent?

Some Hon. Members: Agreed.

The House divided on the motion (Mr. Wilson (Etobicoke Centre)), which was agreed to on the following division:

(Division No. 247)

YEAS

Members

Anderson
Andre
Atkinson
Belsher
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Lac-Saint-Jean)
Brightwell
Cardiff
Champagne (Champlain)
Clark (Yellowhead)
Cole
Collins
Cook
Cooper
Corbeil
Côté
Crosby (Halifax West)
Danis
Darling
DeBlois
de Cotret
Dick
Domm
Dorin
Duplessis
Edwards
Epp
Fee
Ferland
Fontaine
Friesen
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Gustafson
Halliday
Hawkes
Hicks
Hogue
Holtmann
Hudon
Hughes
Johnson
Joncas
Kempling
Koury
Langlois
Larrivée
Layton
Leblanc (Longueuil)
Lewis
Littlechild
Loiselle
Lopez
Marin
Martin (Lincoln)
Mayer
Mazankowski
McDermid
McKnight
Merrithew
Mitges
Monteith
Moore
Nicholson
Oberle
O'Kurley
Plamondon
Porter
Pronovost
Reimer
Ricard
Richardson
Robitaille
Roy-Arcelin
Schneider
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Siddon
Sobeski
Sparrow
Stevenson
Tétreault
Thacker
Thompson
Thorkelson
Turner (Halton—Peel)
Valcourt
Van de Walle
Vankoughnet
Venne
Vézina
Vincent
White
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)
Worthy—100

NAYS

Members

Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Baker
Bélair
Black
Blackburn (Brant)
Boudria
Caccia
Callbeck
Campbell (South West Nova)
Catterall
Crawford
de Jong
Ferguson
Finestone
Foster
Gaffney
Gardiner
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Guarnieri
Harb
Harvey (Edmonton East)
Heap
Hopkins
Hovdebo
Hunter
Karpoff
Keyes
Kristiansen
Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacAulay
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McGuire
McLaughlin
Milliken
Mills
Mitchell
Parent
Parker
Phinney
Pickard
Proud
Prud'homme
Rideout
Riis
Robichaud
Skelly (Comox—Alberni)
Taylor
Vanclief
Wood
Young (Gloucester)
Young (Beaches—Woodbine)—61

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

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

[*English*]

Mr. Attewell: Madam Speaker, I would like the record to show that I did not participate in the voting because I have been asked to chair the legislative committee.

Some Hon. Members: Hear, hear!

The Acting Speaker (Mrs. Champagne): It being 6.25 p.m., the House stands adjourned until 11 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 6.25 p.m.

HOUSE OF COMMONS

Thursday, April 26, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1110)

[*English*]

PETITIONS

GOVERNMENT RESPONSE

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

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

* * *

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

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

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

[*Translation*]

CANADA MORTGAGE AND HOUSING CORPORATION

TABLING OF ANNUAL REPORT

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, I have the honour to table the annual report of the Canada Mortgage and Housing Corporation for 1989, in both official languages.

* * *

[*English*]

COMMONWEALTH PARLIAMENTARY ASSOCIATION

THIRTY-NINTH SEMINAR ON PARLIAMENTARY PRACTICE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian branch of the Commonwealth Parliamentary Association of the official parliamentary delegation which represented Canada at the thirty-ninth seminar on parliamentary practice and procedure at Westminster from March 6 to March 17, 1990.

* * *

COMMITTEES OF THE HOUSE

CONSUMER AND CORPORATE AFFAIRS AND GOVERNMENT OPERATIONS—CONCURRENCE IN SECOND REPORT OF STANDING COMMITTEE

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I stand today to move, seconded by the hon. member for Prince George—Bulkley Valley, concurrence in the second report of the Standing Committee on Consumer and Corporate Affairs.

Let there be no mistake that although I am proposing that the House adopt the report of the committee, I

intend to vote against the motion because peculiarities of the House allow me only to move concurrence. As a private member I am not allowed to move non-concurrence in the report to which I am fundamentally opposed.

The report calls for the eventual privatization of the Canada Post Corporation. On a matter of this importance I believe that the House of Commons must have an opportunity to debate the issue and ensure that Canadians understand what it is that the government, as proposed by this committee, intends to be considering over the next period of time.

We sat in the Consumer and Corporate Affairs committee for most of the last six months hearing testimony from people from across the country on the operations of Canada Post. What we heard in committee, including testimony from the minister, from the president of Canada Post Corporation, and from witnesses from the private sector and community organizations, did not provide us with enough information to properly conclude that privatization is an option for the post office.

Even the minister suggested in his testimony before the committee that privatization was an option that would require two or three years worth of work, of solid performance by the post office, of productivity increases, of profits generated by Canada Post.

Unfortunately, the standing committee has provided the post office with an opportunity to continue doing what it has been doing for the last several years and which has led to the profit picture of this last year. That means the cutting of services to Canadians in suburban and rural areas and the harassment of workers who dedicate their lives to ensure the mail is delivered.

Essentially, the committee gives *carte blanche* to the post office to remain unaccountable to the people of Canada. The direction that Canada Post has been taking has been protested by Canadians from coast to coast, time and time again, over the last several years. We have newspaper clippings galore. We had testimony before the committee galore. We had all sorts of opportunities to pursue the matter of what Canada Post is doing and why it is influencing negatively the needs of Canadians and Canadian communities.

When the report was tabled in the House of Commons the day before yesterday, and at the media conference announcing the tabling of the document, the chairperson of the committee indicated that the time has come for Canada Post to be privatized. I fundamentally reject that notion. As a member of the committee who sat in on almost six months of testimony, I want to ensure that the House and all Canadians recognize that we heard very little testimony that would lead us to conclude that the time has come for Canada Post to be privatized.

The worst thing about privatizing the corporation is that it loses accountability. Canadians will no longer have the ability to hold the post office accountable for their needs. It also ensures that the process by which the government removes itself from being accountable to Canadians for their postal needs is addressed.

I want to put on the record today a couple of things about the process that led to the delivery of that report of the Standing Committee on Consumer and Corporate Affairs and also outline some of the things that I believe Canadians can do to ensure that we have, not only an accountable postal service, but one that meets their service needs as well as their community needs.

As you are aware, Mr. Speaker, contained in the majority report of the Consumer and Corporate Affairs Committee are minority reports, dissenting opinions from the opposition members of that Consumer and Corporate Affairs Committee. My dissenting report, as restricted by the committee—and I understand that the committee has the powers to do that—is 12 pages long and contains a large number of recommendations which I believe, if followed by the government and Canada Post, would lead to better delivery service by the post office.

The fact that the committee restricted me in the number of pages that I could include in that dissenting report meant that, in order to say all of the things that needed to be said about Canada Post, I had to produce a minority report of my own. That report is some 50 pages long. It details quite a lot of the advice that we got from different witnesses who appeared before us in committee and outlines a number of recommendations which I believe, if followed, would give Canada Post operating directions for the delivery of the mail in the future.

Before I discuss my own report, I want to put on record a few of the things that I am quite concerned about in the existing report, the second report of the

Standing Committee on Consumer and Corporate Affairs.

As I already indicated, there is a problem with taking the testimony of the witnesses and putting it into the recommendations. We had no evidence, when writing the report, that the mandate given to Canada Post in 1981 was inadequate to meet the postal service needs of Canadians.

• (1120)

As you will recall, Mr. Speaker, in 1981, Parliament passed an act and gave a mandate to Canada Post that set the direction it was to follow. That mandate was quite clear: Meet the service needs of Canadians and try to be self-sufficient. Self-sufficiency does not, in the interpretation of most Canadians, mean showing a profit or making a return on investment to the government, its current shareholder.

The mandate of Canada Post, as described by many witnesses before the committee, was quite clear. The mandate was adequate to meet the needs of Canada Post, to meet the needs of government, to meet the needs of its workers, and to meet the needs of Canadians, whether they be in the urban setting and are now subjected to the supermailboxes, or whether they be in the rural setting where we are finding post office closures.

We did not have any evidence to conclude that the mandate was incorrect. We also did not have much evidence to support some of the contentions that were made in the report, particularly dealing with the rural side of Canada Post and the needs of rural Canadians to be able to get the mail service they deserve. Rural route service people were ignored entirely by the majority committee report.

The other oversight the committee made was its failure to recognize that as Canada Post is moving into the private sector. It is turning a lot of rural post offices and suburban post offices over to the private sector and individuals operate those private sector post offices. Canada Post calls them retail postal operators or retail postal outlet operators. Those RPOs are the subject of disagreement among large numbers of Canadians, particularly on the rural side.

Not once did this committee call before it for testimony an operator of a retail postal outlet, the people who are supposed to deliver the mail in rural Canada. I think that was a tremendous oversight. Under no circumstances could this committee rightly argue or set out in a report that the RPOs are operating, not only efficiently, but correctly and within the needs of the communities they are servicing. I believe very strongly in the right of rural Canadians to be able to get as good a service from the Canada Post Corporation, a Crown corporation, as do people in urban centres.

The main promise of the report is privatization and the selling of shares over the course of the next couple of years if Canada Post meets some of the standards it is trying to set for itself. Those are the standards which will lead to more post office closures, less letter carrier service, and less service to Canadians. Privatization was the main bone in this report.

What is the purpose of privatization? What is the reason, not only the government, but this committee is moving toward the privatizing of this Crown corporation? We have a very great need in this large country of ours to ensure that communication fairness exists in all parts of this country.

The privatizing of this corporation was not something about which we heard a great deal of testimony in committee. The minister alluded to it. The president of the corporation said they were not ready for it. We did not have definitions presented to us. We did not have any of the claims that Canada Post presented to us verified by independent witnesses. We never called before us the polling firms that do all of the work that Canada Post relies on for its public image. We did not have any of the individuals who are responsible for setting the direction of Canada Post called before us.

We had very loose statements by the minister that indicated he would like to move in that direction. But we had no evidence at all that the privatizing of one of our most essential Crown corporations would be in the interests of the Canadian people or in the interests of the communication system of the country, not to mention the major mail users who, in a sense, make up about 80 per cent of the volume of the Crown corporation.

The idea that Canada Post needs more money is the reason for selling shares in Canada Post as the means to privatize it. What evidence do we have that Canada Post is in need of more capital? We heard not too long ago in the House the government's desire to sell Petro-Cana-

da, a Crown corporation. The main reason for selling shares in Petro-Canada, with which I also have some disagreement but I will not get into that debate today, was that Petro-Canada needed more money and the government was not prepared to make any further investments.

We have not heard that evidence from Canada Post. In fact, we have seen just the contrary. The evidence provided to us in the annual reports of the corporation indicate that, not only is Canada Post making a profit in this last fiscal year, but it is going to continue making profits, to turn some of those profits back into the corporation for new technology, and, in turn, to make a rebate to the federal government. If this committee report is to be accepted, in the neighbourhood of 40 per cent of that profit will go back to the government.

At no time has this Crown corporation or the government indicated that Canada Post is in need of greater capital investment from the Canadian public through the government. Now, a committee of the government, without testimony to the contrary, is advocating to the government that it go ahead and sell shares in Canada Post and privatize the operation. And for what purpose? No good purpose, I maintain.

The report completely ignores the majority of the testimony that we heard over the course of that six months. At one point, I was very strongly considering advocating that the committee stop work on the report that it was drafting, go back to the drawing-board, and prepare another report that reflected in greater detail the evidence that had been presented before us. The committee did not do that. As a result, I felt very strongly that I had to do some work to try to set out what I believe would be an efficient, well operated, publicly owned Crown corporation delivering the mail across the country.

I have released a report, part of which was tabled with the main report. It is called: *Canada's Post: A report of the New Democratic Party on the Future of our National Postal System*. This report indicates that the government and Canadians have choices to make—choices about what kind of a national postal system we really want; choices that will relate to the needs of Canadians today and tomorrow; choices that will allow us to have full postal service in rural areas delivered by people who are accountable to the Crown corporation and who are ensuring that the needs of their communities are well fulfilled.

One of the things that I propose in my report is the creation of a permanent full-time Canada Post commission that will administer the Crown corporation in a way that adheres to the mandate that Parliament and the people of Canada gave it in 1981. A Crown corporation with full accountability to Canadian people is the absolute necessary bottom line.

We should create a permanent, full-time Canada Post commission, established to oversee the operations of Canada Post, and whose prime function should be to ensure that the corporation adheres to its mandate in the context of placing accessible, quality service for all Canadians as a first priority.

The commission should be directed by a board composed with equitable representation from the rural organizations which are being ignored by the government. As we know, the representatives from Prince Edward Island, Saskatchewan, and other rural areas were basically told by the committee and by the government that they were wrong.

• (1130)

There must be representation from consumer organizations, the people who work for Canada Post within the postal unions, representatives of small business and big business, seniors and the disabled on this commission to ensure that when we have situations where supermailboxes are absolutely essential that the needs of the seniors, the disabled, and the physically challenged are adhered to. Of course, there must also be representation from environmental and native organizations to ensure that the needs of the north and the needs of our new environmentally-conscious society are adhered to. The board of course would ensure that there would be equitable regional, provincial and territorial representation among its members.

The insurance that this commission has is that it is not just accountable to the government doing what a majority government wants to do, but it is accountable to the people of Canada and to Parliament through the Canada Post Act of 1981. We have to ensure that the mandate is adhered to so that we do not see a continuation of the decline of service, particularly in rural areas.

I go back not too long ago when even cabinet ministers were fighting to save post offices in rural Canada. In early April 1989 the minister of health was calling for the maintenance of a post office in his own constituency, a post office which I believe has not had the support of this government.

Countless retailers have been telling us about the problems that they have had. One franchise owner in Wilno, Ontario had to go to the community asking for donations because the funds that were provided for the sale of stamps from his post office by Canada Post were not enough to meet the operating needs of his store.

Canada Post must remain a Crown corporation and not be privatized as suggested this week by the second report of the Standing Committee on Consumer and Corporate Affairs. There is no justification for a privatized post office which would never ensure that service to rural Canada is met adequately. The Crown corporation exists to meet certain communication needs of Canadians and only a Crown corporation accountable to Canadians through Parliament will meet those needs.

Rural Canada has been fighting the Canada Post conversion program from day one and I know that they will continue to fight the corporation and the government, if it continues to close rural post offices. To lose a post office in rural Canada so that the government can earn a profit is scandalous and any process which moves us further in that direction must be opposed.

Canadians, rural and urban, depend on their post office and this government has a responsibility to see to it that this service is provided in an affordable and dependable manner for Canadians from coast to coast.

When Parliament created the Crown corporation in 1981, MPs expected it to grow with the needs of Canadians. Instead, Canada Post has grown away from the service needs of Canadians, particularly rural Canadians, and because it is virtually unaccountable for its actions nothing has been done to correct the damage which has resulted.

Privatizing the post office will not correct any problems that we see in the present day delivery of post office service. Only an accountable public corporation with a renewed mandate for service will correct those problems.

The Acting Speaker (Mr. Paproski): Under Standing Order 43, the hon. member does have 10 minutes for questions and comments. I will now recognize the hon. member for Prince George—Bulkley Valley on questions or comments.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I certainly appreciate the comments made by my colleague on the report on Canada Post. I know that he has done a great deal of work in this House, in committee, and in his own riding on how important Canada Post is, especially its rural outlets, to many of us who represent those parts of this country that this government is ignoring.

I have two questions that I would like to ask the member. The first has to do with what direction do we offer the people in rural communities who are concerned about the potential closing of post offices? What advice can he offer to these communities and groups in terms of keeping the pressure on to ensure that whether it is privatized, as members opposite seem to want, or if it stays as a public Crown corporation, we continue to improve the service that we get?

My second question has to do with commitments from Canada Post. Like many members in this House—I am not sure that Conservative members are concerned about post offices in their ridings—we write to the president of Canada Post and express our concerns. We want to keep monitoring the activities of Canada Post in our ridings. I am wondering what experiences he has had with commitments that the post office has given to members and communities about maintaining post offices, keeping them open, or have we had examples across the country where perhaps a little more rigorous watching of Canada Post is needed to ensure that our communities are served well?

Mr. Taylor: Mr. Speaker, I thank the hon. member for Prince George—Bulkley Valley for his question.

I know from our work in caucus that the hon. member who asked the question is very concerned about post offices in his community and has provided me with many opportunities to discuss postal matters with people in his riding and has made many representations to me and to government on this very issue.

As you may be aware, Mr. Speaker, a number of post offices in rural Canada have been under attack for closing, conversion or the new expansion program of Canada Post. In fact, in my own riding of The Battlefords—Meadow Lake, there are eight post offices that are currently in negotiations with Canada Post about the future of the operations in those communities.

I have also worked strongly with the people in Dubuc, Saskatchewan, which has been fighting as hard as any community in this country to ensure that its post office is retained and the postal services from those full-time post offices are retained. I have also worked with people on Prince Edward Island with the help of Rural Dignity, the organization that has been working very hard to help maintain post offices. I must say that the advice and direction I am able to provide to these people comes down to one of just remaining vigilant, being constant and never giving up.

The Dubuc situation is one that provides us with a great deal of frustration and many of the other communities could find it very difficult to deal with. The community of Dubuc found itself 100 per cent in favour of maintaining service from the existing post office. Canada Post came into that community and asked if there was a business person who would be willing to provide service from his or her business location and establish a retail postal outlet in the community of Dubuc, Saskatchewan.

The people of Dubuc said no. None of the business people in the community of Dubuc wanted a retail postal outlet. They wanted service from the post office and a full-time postmaster working from that post office meeting the needs of that community. They even travelled to Ottawa to make their case before our committee, before the minister and before members of this House.

When Canada Post could not find a retail business that was willing to give service from a store, cafe, or even the grain elevator, Canada Post said: "All right. We will just close your post office and you will not get any service". Canada Post blackmailed the community, and now one of those businesses has said that it will put in a retail postal outlet, if it is the only way there can be service to the community and residents do not have to drive 15 miles to the next community to pick up registered mail, buy stamps, and those types of things.

That community right now is very angry. They have held a funeral service in their community for their post office. They have continued to write letters. They have not given up. They are going to fight Canada Post and this government for as long as it takes to get maintenance of the service in their own community.

The advice that I can give to other communities in this country is to do what Dubuc has done, and that is to remain vigilant, strong, united and true to their belief that rural Canada must be served well by a Crown corporation that delivers postal service in a quality and effective manner, and I salute the people of Dubuc for that very reason.

• (1140)

I could say similar things about people in Prince Edward Island whom I travelled to visit with for several days earlier this year. When the committee of Consumer and Corporate Affairs refused to travel across the country to meet with people in rural Canada, to meet with retail postal outlet operators, I decided I had to travel myself. On doing so, I learned a tremendous amount about rural Canada that this committee never had an opportunity to learn.

I presented a report to the committee on my findings throughout the Atlantic region. Obviously not only the needs of rural Canadians were ignored but also the voices of all those people through my report were ignored.

In answer to the second part of the question offered by my colleague, the commitments from Canada Post are ones that are very well couched in good public relations language. Canada Post treats what is happening in rural Canada, not as a problem but as a public relations challenge. They would rather not have to deal with the problems of rural Canada, maintaining a rural postal service, but instead would rather convince people that what they want is wrong, that what Canada Post is providing is the best for them.

Commitments made by Canada Post to communities in my own riding are: "We will maintain a quality service in your community". That means that the business person who is also selling everything from diapers to pizzas to you name it in that community will also be selling postal services. That is not a maintenance of quality postal service in a rural area where the full time postmaster is providing services that go way beyond selling stamps

from the counter next to where he or she sells cigarettes, diapers, magazines and the other things that are sold in those community stores.

I thank the hon. member for asking me these questions. Personally, Mr. Speaker, I wish Canadians well right across the country in their bid to help save a Crown corporation, a national postal system from the destruction that this government through this report is wreaking upon us.

The Acting Speaker (Mr. Paproski): There is still enough time for one more question or comment. The hon. member for Saanich—Gulf Islands, for a short question or comment.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, my colleague from The Battlefords—Meadow Lake has articulated very eloquently the frustration with the dismantling of Canada Post and its service to Canada.

My question is on the same subject but a different facet of it. That is the rural route contracts. In my constituency of Saanich—Gulf Islands, the people who have been contracted by Canada Post have phoned me and complained with some trepidation because they feel that their jobs are at risk by complaining. They are having to be the deliverers of large volumes of junk mail, which is a whole other problem that I am also getting a lot of mail with complaints from constituents on that, and they are not being given any further money for this. I would ask the member for The Battlefords—Meadow Lake, what has his minority report done to articulate or deal with this problem?

The Acting Speaker (Mr. Paproski): The member has one minute to answer the question.

Mr. Taylor: Mr. Speaker, my report does deal with rural couriers and I am more than happy to go through some of that with the member. Given the time constraint, I should point out one thing. What is happening to the rural route couriers is a direct result of the slow privatizing, the contracting out of services that has been going on within Canada Post. This will even be exaggerated more as Canada Post becomes more responsible to the private sector rather than the Canadian people.

Privatizing a corporation like this is akin to privatizing a public utility. When you are dealing with trying to earn profits, you are earning them from the funds that are spent on this essential type of service. Contracting out to the rural couriers simply means that people are competing against each other to get a job. People in this country should not have to be competing against each other for employment.

The Acting Speaker (Mr. Paproski): The time for questions or comments has expired. On debate, the hon. member for Glengarry—Prescott—Russell.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, late yesterday afternoon a rumour was circulating that a member of the New Democratic Party would move to concur with the government's report to shut down the Post Office.

As you will well understand, Mr. Speaker, I refused to believe that. I refused to believe yesterday that any member of this House of any party would move to concur in that report. I apologize. I was proven to be wrong. Someone did move to concur in the government's report to shut down the Post Office.

Under our rules, Standing Order 124 refers to a motion of concurrence. That is what was proposed to us this morning. Of course, the first thing that came to my mind was that perhaps I do not understand what concurrence means. Perhaps my limited knowledge of Canada's other official language is such that I did not fully appreciate this. So I went to *The Concise Oxford Dictionary* and looked at the definition of concurrence and concur and it says—

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

Mr. Riis: Mr. Speaker, it is important that I raise this point of order. I think my hon. friend is being mischievous because the person who moved the motion indicated clearly that he opposed the intention of the report. It was the only way that we could get it on the floor of the House of Commons.

The Acting Speaker (Mr. Paproski): The hon. member knows very well that that is not a point of order. It is debate. The hon. member for Glengarry—Prescott—Russell has the floor.

Mr. Boudria: As I was saying, before I was so rudely interrupted, according to *The Concise Oxford Dictionary* concur means:

> Happen together, coincide; combine in its action; agree in opinion, express agreement.

"Concurrent" means:

> Running in same direction, as parallel lines; meeting at or tending to one point, existing or acting together—

Some of us have suspected a little togetherness between the NDP and the Tories across the way, but now it is all confirmed.

I was not content with that definition in the Oxford dictionary. I figured I might as well look at another dictionary, Webster's dictionary, which could perhaps this one would clarify the situation. Maybe I was misunderstanding what was being said here. The definition of "concur", according to *Webster's New Dictionary of Synonyms* is:

> To conjoin; to unite; to combine; to co-operate; to accord; to harmonize.

Canada was harmonized with the United States in the trade deal and now the NDP is being harmonized with the government. It goes on to define concur: "To agree, to coincide, to consent, to assent, to accede, to acquiesce". Would you believe it, Mr. Speaker, that the NDP are acquiescing with the government?

I do not know about you, Mr. Speaker, but I do not acquiesce to shutting down rural post offices in Canada. I do not acquiesce to shutting down 5,221 post offices. I do not acquiesce to the firing or laying off of 10,000 rural employees, 8,300, or 83 percent, of whom are women. I do not acquiesce, agree or consent to the largest firing of women in the history of Canada, and I certainly do not concur with that proposition.

I hope that there will be an opportunity for us to vote on this concurrence motion, because I intend to oppose the NDP's attempt to concur with this government's report. I do not want to concur with shutting down post offices in Canada. I do not want to concur with a number of things that the government is proposing here.

• (1150)

Let me summarize some of the things that I do not want to concur with. I do not want to concur with recommendation No. 2 that states:

> Canada Post continue with its plans to realize a 14 per cent return on equity—

I want Canada Post to generate operating profits necessary to meet its own capital investment needs and to maintain and improve services to Canadians. That is why I do not concur with that proposition.

I do not concur with recommendation No. 3 which states:

> The Government of Canada examine the feasibility of requiring Canada Post to pay corporate income tax.

I do not concur with recommendation No. 4 which states:

> The Government of Canada consider the replacement of postal subsidy programs with direct recipient programs.

I want us to have those subsidy programs that help northern Canadians. I want us to have those programs that help the delivery of rural newspapers in Canada. So I do not concur with that proposition of the NDP. I do not concur with that at all.

I do not concur with recommendation No. 5 which states:

> The Government of Canada endeavour to provide publishers of rural community-owned newspapers—with—financial support—

—without giving any further details of that and while allowing the government to dismantle the infrastructure subsidy program. I want the infrastructure subsidy program to continue.

I most certainly do not concur with recommendation No. 7 which states:

> Canada Post discontinue its retail postal business and devote its resources to the collection, processing and delivery of mail.

Instead, my colleagues and I want Canada Post to maintain its existing retail network and to continue to devote resources to the collection, processing and delivery of mail. So I do not concur with that part of the report. I do not concur with those who produced the majority of the report, nor with those this morning who propose for us to concur with it. I cannot agree with that proposition.

This is what we are being asked to concur with this morning: "Where possible Canada Post contract out mail delivery". We are being asked by the NDP to concur with contracting out mail delivery. What is this world coming to?

We are being asked to concur with recommendation No. 33:

> In the event of a disruption in postal services, Canada Post's exclusive privilege to deliver letters should be suspended—

We are being asked to concur with that this morning. Mr. Speaker, do you believe that? The minister responsible for Canada Post probably has a hard time imagining

that the NDP would have proposed for us to concur with that proposition.

The NDP has proposed for us to concur with this report, and Committee recommendation No. 36 of the report with which we are asked to concur states:

> The Government of Canada privatize Canada Post once adequate financial performance, comparable to the private sector levels, has been attained and once the industrial relations climate has improved.

The Liberals do not want to concur with that. Instead, we want Canada Post to remain a Crown corporation. We stand firmly behind that proposition in my party. We do not want to concur with any such proposition.

Mr. Keyes: Do you think Mr. Parrot concurs?

Mr. Boudria: Mr. Parrot I do not think concurs with that either. I think he is with us when he says that Canada Post should remain a Crown corporation.

Government recommendation No. 37 that we are asked to concur with this morning—

Mr. Gauthier: By the NDP.

Mr. Boudria: By the NDP my colleague reminds me. I am sorry, I had almost forgotten that. It is hard to fathom that proposition. We are asked to concur with the following:

> The privatization plan be carried out by means of a public share issue and should incorporate an employee share ownership plan.

The Liberals want that clause to be eliminated. We do not concur with that.

We are also asked to concur with the following:

> That Canada Post, if privatized, continue to be regulated by an independent, third party regulatory agency with decision-making power.

The Liberals do not want Canada Post to be privatized at all. In addition to disagreeing with all those things we are asked to concur with this morning—

Mr. Keyes: By the NDP.

Mr. Boudria: By the NDP, my colleague reminds me. I had almost forgotten again. The Liberals also want Canada Post to restore its previous corporate identity; that it have a program that reflects the role of the corporation as an institution of the Government of Canada.

We think it is important for Canada Post to have the flag of Canada. The Government of Canada has allowed Canada Post to adopt this new corporate logo and name, which states: "Mail" and a logo symbol of a wing and then *poste*. There is nothing wrong with that. However, it has removed the flag of Canada from its logo, and there is something wrong with that. It has removed the word "Canada" from Canada Post. We want to put Canada back into Canada Post. That is a dissenting recommendation of the Liberal Party. We do not want to concur with anything otherwise.

We, the Liberals, also want Canada Post to ensure that postage stamps being sold at retail counters are not being sold below the retail price, as a result of those privatized jobs that the minister likes so much. What is happening now is that chain stores are selling postage stamps as loss leaders. We think that proposition is wrong and we want measures to prevent that.

In *The Montreal Gazette* this morning the following editorial appeared, and I want the minister to be well aware of this. The headline states: "Post office is a public service" and the article states:

> Some Conservatives in Ottawa have an almost indecent urge to privatize for the sake of privatization.
>
> Their latest target is Canada Post. The Conservative members of the Parliamentary committee, with the blessing of the Mulroney government, have just recommended the selling off of the Crown corporation as soon as it gets profitable enough to interest private investors.

It further states the following:

> Would a privatized postal system keep rural post offices open? Would it scrap the hated supermailboxes? Would it continue "unprofitable" activities, such as delivering the mail to the far corners of the country? Not bloody likely. Indeed, it would be likely to prune service even further in those areas—notably service to remote places—that are not profitable. Yet such service is clearly in the national interest.
>
> Now that Canada Post is no longer a drain on the treasury, the government should not be thinking of selling its profitable parts to the highest bidders. It should be thinking of using the profits to pay back taxpayers for long years of deficits, and to restore lost services to the customers.

I want to tell the minister, very briefly, one tangible example of what has happened with the closure of one post office in my riding. Yesterday, the minister said that rural post offices were only closed when there was a so-called natural opportunity. These alleged natural opportunities were defined as the resignation or death of the postmaster.

There is an incident going on right now in the village of Dalkeith in Glengarry, in my riding. The minister has been around Ottawa long enough that I am sure he knows where Glengarry is. He may not know the community of Dalkeith. It is not one of the larger communities, but it is, nevertheless, an important one in my riding.

Here is what happened. The Postmistress is no where near retirement age. She may be a few years away. Canada Post went to the Postmistress and offered her a lump-sum payment. In other words, they offered to create a natural opportunity because none was there. They offered this money, and I do not know the amount and, of course, I do not blame her for taking it. A person who is a few years away from retirement can always use money. But in any case, they actually purchased the rest of the time.

They gave her a financial incentive, asked her to retire and then, once they had artificially created this so-called natural opportunity, they circulated a letter to my constituents saying, "Guess what folks, your post office is shutting down because of the retirement of your postmistress". As a result they are going to offer alternative services to us. We will have a retail postal outlet, as Canada Post calls these things, inside a store in the village. There is only one store in the village and Canada Post officials went to see the store owner. The store owner then said, no way, we don't want this. We don't want to be the cause of the shutdown of the post office. We don't like the proposition and we don't want in any way to be associated with any such devious scheme by Canada Post.

• (1200)

Then they went to see the local furniture store. It is a small store where they manufacture furniture themselves. It is called Pine Teak and they have asked the owners if they were interested. At last report they were totally uninterested.

The present situation is that Canada Post has created artificially the closure of our post office without even pre-organizing another outlet. It is bad enough that they orchestrated this thing artificially. They did not even bother to see the store owner first and make a deal with him. We went from having a post office to having no post office at all and no alternative service in that community.

We were at a meeting the other day when they told my constituents not to worry, because they could always go pick up their mail and have postal services 13 miles away in the other village. If worse comes to worse that is what they will have.

Well, that's great, Mr. Speaker, that is going to be really useful for the people in my riding, going from Dalkeith to Vankleek Hill. It is unfortunate that those people who have these plans do not think them through a little bit better.

We are assured by the minister and by others that the post offices in rural areas are there to stay, but that is not always true. When we are told that post offices in rural areas are not shut down unless the postmaster is ready for retirement, it is not necessarily true. In this case, they created a situation where the person was made to retire years ahead of time. All the assurances we are hearing in this House are, and I am putting this gently, inaccurate and that is the best way I can put it.

The people of the riding that I represent want to keep the rural post offices and want to have a postal system that is not just a business but is also a service to the community. That is why my colleagues and I have issued a dissenting report to the document known as *Moving the Mail*. That is why we cannot support the government's idea and why we cannot support the concurrence motion proposed to us this morning.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, as my colleague from Kamloops has just said, the member who just spoke is being quite mischievous this morning. He is having a lot of fun at my expense and I very much enjoy this kind of partisan rhetoric because he knows how much I oppose the direction that is taken in this report. I can appreciate him having fun at my expense and I realize that he too does not concur with the report.

The member is knowledgeable of the rules of the House. He knows that as a private member neither he nor I can move any motions of non-concurrence, or can put on the floor of this House for debate, at times like this, any dissenting opinions about the committee's work or about the role that the government is taking. He knows we have not had any debate in this House on privatization and as private members we have a great deal of difficulty initiating this. Does he not appreciate the opportunity that I have given him this morning to get a few words on the record about how much he opposes the government's work? If he does not appreciate the opportunity that is presented to him this morning, I

wonder if the member could tell me what procedural moves he has proposed to hold this government accountable for their destruction of the postal service in our country.

Mr. Boudria: Mr. Speaker, I do not intend to be a procedural adviser to the New Democratic Party caucus.

Mr. Gauthier: I wouldn't let you do it.

Mr. Boudria: It is the last thing I had in mind. My House leader says he would not allow it, and I thank him, because that is a very wise decision. It is an interesting proposition for a House leader to entertain, that is allowing Liberal members to advise the NDP—not that we would do it anyway.

Seriously, my colleague should know that you do not move concurrence in a report that you do not want. To say that that is the only trick he could come up with is just not good enough. Mr. Speaker, you do not move to adopt something that you oppose. I do not understand that proposition. I do not know how the idea ever came to the hon. member, but it is not for me to ask where that idea came from.

I could give some free advice, perhaps, to my colleague. For instance, I asked questions on the report yesterday, and the day before, through a mechanism reasonably well known. It is called Question Period. I have raised questions on two separate occasions during Question Period. I have also issued press releases regarding it, another device which is relatively common here.

After one raises an item in Question Period, there is also a procedure known as the adjournment debate. One can use that mechanism as well. In addition to the adjournment debate, one can move a private members' motion, and place it on the Order Paper. This is another reasonably well-known device. One can always ask for an emergency debate, ask to adjourn the House under Standing Order 52 and have an emergency—

Mr. Gauthier: You are giving them advice.

Mr. Boudria: Sorry, my House leader says I should not be giving advice, but I was asked to provide alternatives. It is hard not to do so when I am being urged on like this, notwithstanding the wise counsel of my House leader.

I must tell you, Mr. Speaker, that I do not ever recall moving to adopt something that I was against.

Mr. Taylor: Mr. Speaker, I very much appreciate the advice of my learned colleague.

I would like to ask the member another question along similar lines. As he is aware, even though the privatization of the Post Office issue has been kicking around for some time now, it has never come forward for debate. Questioning the minister is one thing, but the minister and the government have not brought matters to the House so that backbenchers could comment on the closure of post offices in their own constituencies.

I am wondering if the member is aware of situations in any constituencies in this country, outside of his own, that might prompt members of the opposite side to rise, and to talk about the saving of rural post offices, about the saving of rural constituencies. Is there any need for a full-fledged debate on what Canadians want in an accountable postal service in this country?

Mr. Boudria: Mr. Speaker, I have just illustrated five different devices available to members in order to debate these issues.

We could go through the Standing Orders one by one on some later occasion and probably come up with a number of other ways. But I have enumerated five different ways in which this issue can be addressed in the House. To repeat what I said before, I cannot propose something that I disagree with. I just do not want to do that, and there is some difficulty in terms of that proposition.

My colleague also—I thank him for the compliment—referred to me as a "learned" colleague. I am not a lawyer. I appreciate the compliment nevertheless, but I am not learned in the law. I wish I were, but I am not at the present time. Seriously though, in addition to what has been raised, my colleague asked if there are examples of Conservative members of Parliament losing post offices in their constituencies.

• (1210)

I know through speaking to people at Canada Post that the Minister of Health personally objected to the closure of the post office in his riding, that he literally had a

temper tantrum in front of some officials of the post office in a futile attempt to try and keep the post office for his riding. Apparently he was unsuccessful, as have many other Conservative members who have probably tried this as well.

Canada Post at the present time is not in a deficit position. We know that.

The Marchment Committee, the Postal Services Review Board, said that the indiscriminate closing of rural post offices, whether or not they made any money, did not make sense. That policy should be revisited. I invite the minister to think about that. That is an independent agency which the minister himself appointed. When the government did not like some of the recommendations which the Postal Services Review Board made, they fired the committee. They turfed them out of office because they did not like the message that they heard.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I did not intend or expect to be talking about the post office today but I welcome the opportunity.

Unlike the member for Glengarry—Prescott—Russell, I was not too alarmed to hear the New Democrats move concurrence of that report. Consistency has never been their long suit. I knew it had to be a cover for something else because they would not have suddenly been struck smart. So I was not sent running to the dictionary like the hon. member for Glengarry—Prescott—Russell to find out what the NDP were doing. They were doing what they were usually doing—

Some hon. members: Oh, oh!

Mr. Andre: —and only Jean-Claude Parrot knows for sure! I suspect that is why we are having this debate today.

But in any event, Mr. Speaker, it is comforting to know—I am sure Fidel Castro is comforted to know—that there is at least one or perhaps two other political parties in this hemisphere of the world that still believe in state ownership as preferable to private ownership. It is getting lonely for the fellow out there, getting lonely all over the world. His soulmates are saying socialism does not work.

We must go to the market if we are going to satisfy the aspirations of our people for a decent standard of living and opportunity. And there was poor old Fidel getting isolated on his island in the Caribbean saying: "Woe is me! Am I the only one who still believes in state ownership? Socialism is the preferable system." Naw, he is not isolated. We have the Liberal Party of Canada and the New Democratic Party of Canada who are absolutely and firmly committed to the principle that the state can do it better than any private organization, and the state should do it, should do it all.

Gorbachev does not believe that any more. But the New Democrats do, and apparently so do the Liberals.

Well, Mr. Speaker, I say they are welcome to their points of view. If the lessons of history do not serve to educate and they are determined to remain the soulmates of Fidel Castro and, is it Hawkes in Albania? There are not many soulmates left for you folks, is there? It is getting awfully lonely being a socialist.

An hon. member: Hawkes is in Australia!

Mr. Andre: Nowadays socialists are getting to be a rare breed and except for the odd professor, it is really quite rare to find anybody to willingly come out and openly suggest that socialism is still a way to go, state ownership is still preferable to private ownership. I am sure the member for Papineau does not agree with the member for Glengarry—Prescott—Russell.

When the hon. member for Papineau was Postmaster General, he indicated that for the post office to be able to perform in a satisfactory manner for its customers, the people of Canada, it was necessary to remove political interference and that political interference was at the root of the historic problems of the post office. That was obvious to everyone who has studied the post office and, goodness knows, there has been study after study after study. In spite of that, we still have the hon. member from the New Democratic Party asking me, as a minister, to intervene and impose my political judgment on the post office in Dubuc, Saskatchewan. I have forgotten the name of the village in—

Mr. Boudria: Dalkeith.

Mr. Andre: Dalkeith. The hon. member thinks that we should not allow the post office management to operate in Dalkeith and that we should impose our superior political judgment on the post office.

That kind of call is understandable, but it is the collective result of all that over decades that produced the catastrophic situation which existed in the post office in 1983-84, when it was running a $500-million deficit. Think of that, Mr. Speaker, in terms of economic policy and social policy—$500 million from the taxpayers to the users of the post office.

Eighty per cent of the post office's revenue comes from private sector business such as mass mailers, Visa cards, utility bills, and so on. We had a situation where the taxpayers were subsidizing business to the tune of $500 million a year.

An hon. member: Oh, come on!

An hon. member: Shame!

Mr. Andre: The New Democratic Party and the Liberal Party say: "That that is quite all right. Is that not what governments are supposed to do? That is an acceptable price for the purity of a state-owned operation. What is a puny $500 million of taxpayers' money if you are able to retain the purity of a system where the government runs things as opposed to the private sector."

I ask members of the New Democratic Party to look back in *Hansard* and they will see that their own members stated that the problem with the post office is political interference. They will see in the committee evidence the testimony of Shirley Carr and Jean-Claude Parrot saying: "Let management manage". It was on that basis that we unanimously said: "Yes, we should change the post office from a department of government to a Crown corporation so management could manage." Well, that is what we have been doing.

An hon. member: With success.

Mr. Andre: Yes, with success. In 1984 the government said to the post office: "Go manage. We will try to keep the political jackals off your back. We will try to prevent people from coming in and saying, 'No, no, no management.' You can manage, but not in Dubuc and not in—"—I am sorry, I keep forgetting the name of that village.

An hon. member: Dalkeith.

Mr. Andre: We said: "We will let the post office manage, but not in Dalkeith, and not in Dubuc". You cannot have it both ways.

Can someone go around and say anecdotally that the post office made an error here in this town and that town? Of course they can. Any group of people, and certainly an organization like the post office, makes mistakes. It will be the first to admit that. But, if one looks at the things it has done right versus the things it has done wrong, one reaches the inescapable conclusion that it is doing a whole lot more things right than wrong. The post office today is a whole lot better than it has been in the past.

Mr. Boudria: Why do you want to get rid of it then if it works so good?

Mr. Andre: The hon. member for Glengarry—Prescott—Russell wants to know why we want to get rid of it if it is working so well. He said "good" but I will say "well". That is the American influence where they have given up adverbs entirely. We still use adverbs in Canada and we are determined to keep using adverbs in Canada!

Mr. Boudria: My English isn't too good but it's better than your French.

Mr. Andre: Your English is a lot better than some of those on American television whose English you are copying.

No decision has been taken in terms of privatizing the post office. That is a fallacy, that somehow there has been a decision taken. This committee did not recommend that tomorrow we start selling shares in Canada Post Corporation. The committee did not say that. The committee recognized the reality—if one cared to look at it—that things are different today than they were in the 1940s and 1950s and that the structure of a post office which was appropriate in the 1940s and 1950s is not appropriate today. Times have changed. They are changing.

• (1220)

Those rural post offices, which people talk about in terms of some mystic influence bewildering to the people who actually live in those communities, are a part of the past. Today, when someone gets into their car—be it from a farm, a suburban area, or from a downtown area—to go to do their personal business, they drive to a

shopping centre or a store that is open in the evening when they have access when they are off work.

The New Democratic Party says that, in terms of equal work opportunity, it believes that the traditional family where the woman must stay in the house is no longer appropriate. We agree absolutely with it. Statistics reflect that families today are totally different in terms of how they function compared to the families of the 1940s and 1950s. We have participation rates in my city of more than 75 per cent. That is 75 per cent of the work age population, men and women, actually work. People, such as the housewife, are not at home to do the household mailings from nine to four, the time traditional post offices are open.

Mr. Boudria: Nine to four? Name one that is open from nine to four. Name one!

Mr. Andre: As I said, they get into the station-wagon after coming home from work, go to the dry-cleaners, and stop at the grocery store to get the milk and bread and to do their shopping. It is convenient for them if they can also do the household business and mail the cheques to MasterCard, Visa, or whatever. They do not use the mail today as they did 30, 40, or 50 years ago to keep in touch with Aunt Nellie. They do that by phone.

The post office serves a different function today and, in recognition of that different function and of how our society has changed, the post office is changing the way in which it operates. There is a lot more competition. Today, 58 per cent of the post office business is fully competitive. That seems to have escaped the notice of some members. They still think of the post office in terms of delivering the standard letter. No, that is nonsense. There is a whole range of products, parcels, special delivery, and courier-type services. There is a whole variety of competitive business at which the post office is doing very well.

By what rationale, other than some philosophy that you are so stuck in you cannot change, does one say: "Well, that may be true or not, but if, in fact, state ownership was the way we operated 40 or 50 years ago, that is the way we have to operate today"? Why? Why would members of Parliament be so closed-minded as to say we cannot consider an alternative?

Two or three years down the road, when the post office will be fully self-sufficient in the real sense of the word, including cost of capital, I will concede that someone may then say: "Well, here are the arguments for privatization of some sort; here are the arguments against. In our view, the arguments for are not sufficiently strong to overvalue the arguments against. Therefore, we do not think it is appropriate to go ahead with the privatization at this point in time." I will concede that possibility. But, why will members opposite not concede the contrary? Perhaps, two or three years down the road, it will be looked at by someone who is rational and not locked into philosophical positions more to do with 19th century socialist philosophy than with 20th century reality, or even 21st century reality.

I do not understand the mentality that says state ownership is a must. I understand the New Democratic Party to a degree. It gets funded by the unions and I understand why Jean-Claude Parrot would prefer government ownership to private ownership. It is far easier for him to try to achieve what he wants to achieve through the exercise of political influence than through the normal collective bargaining of the private sector. I understand that and I understand why the New Democratic Party has to do that.

I do not understand where the Liberals are coming from. I do not understand that whatsoever, unless, perhaps, they are getting some money as well. Philosophically, what has been proposed in this report is something the member for Papineau, the former Postmaster General of a Liberal government, has in essence said should occur.

Mr. Boudria: When did he say you should shut down rural Canada?

Mr. Andre: I am glad he raised this rural Canada thing because I have got to deal with this nonsense about shutting down rural Canada. Mr. Speaker, there have been a number of places, a few hundred places, where the traditional post office has closed and been replaced by a retail postal outlet, in a general store, for example. They try to go into a business with which people in that area would normally interact and, therefore, make it convenient for them.

Where that has happened, we have gone back with post-change public opinion polling and the approval rating is over 90 per cent. That is an over 90 per cent

approval rating. If one goes there before the change, as in Dubuc, people say: "My God, they are going to take away our post office and soon we won't get any mail. Soon, we are going to have to drive to Saskatoon or Regina to pick up your mail and soon, soon, soon—". The bogeyman and the scare tactics are used and the people say: "Holy smokes, holy smokes." It is human nature to be afraid of change. People say: "I don't know about change. I am pretty comfortable right now and you talk about change. This is comfortable, so why change?"

It is easy for the demagogue to tell them to fight that change. Change? They do not know what is going to happen. If we start this change, every woman in the post office might be fired, according to the hon. member. We might have weeks of delay. We might have to travel hundreds of thousands of miles to pick up our letters. People say: "Don't change, don't change! Where do I sign? Give me this petition and I will sign right now." It is easy to raise false fears in people when one says that change is coming. But change is inevitable.

The dinosaurs in the New Democratic Party and, increasingly, in the Liberal Party are locked into some notion that change can be resisted by political will. Well, it cannot and it should not, because change is progress and we are for progress. The change must be managed to make sure people are not hurt. The change should be undertaken in such a way to result in improvements and that is what the post office has been doing. It is running a profit for the first time in 30 years. Its users all say that the service is better today. Where these changes have occurred in rural Canada, the people affected have said: "This is an improvement." Not in every case, but an overwhelming majority say that this is an improvement.

The rest of the world is trooping in to Canada Post headquarters in Ottawa to see what is happening and they are amazed at the performance. In an article which I wish I had brought with me—but have not because I did not know this debate was coming up—Major users and mail groups in the United States said, if only Don Lander, the President of Canada Post, would come and become the Postmaster General of the United States Postal Service.

We are leading the world because of one very little simple policy decision we took. That is that we are not going to allow political interference in the operation of the post office. With that one little policy decision we said: "You manage and we will keep the dogs at bay." I have the scars to show that sometimes that is tough, but it is worth it. We have the performance to show for it. This committee has said: "Keep up the good work, and two or three years down the line, when this progress has reached another level, as any intelligent government should do, take a look at the prospects of perhaps some form of privatization. You may find that the benefits are significant enough to make it worth while."

• (1230)

I ask the Opposition, in vain I appreciate, but I ask it nonetheless, to keep an open mind. Change very often. Indeed, most of the time, it is beneficial if you think about it. If you get nervous when you think about change, perhaps you should be finding yourself a nice beach blanket for the beaches of Cuba, because that is the place where change is being resisted the most in this hemisphere, and if you are comfortable there, you are welcome to it.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, first of all, I want to apologize to the minister for my failure to use the right adverb, as he pointed out earlier. As I indicated to the minister, my English may not be the best but it is probably better than his own ability to speak the language of Molière.

I am sorry about my less than perfect ability to use the correct adverb in English. However, I am sure his Quebec colleagues will remind the minister that his French adverbs leave something to be desired as well.

In any case—

[*English*]

I am sure the minister's colleagues will want to ask him a question or two later. Perhaps I could ask the minister a few questions, if I can get his attention.

The minister said that he does not interfere with the operation of Canada Post. He says, and I paraphrase here, that for members to want postal policy that does not shut down rural post offices, that would be somehow interfering with the post office. Does the minister deny that it is his government which adopted the Canada Post corporate plan of November 1986 which called for the shutdown and/or privatization of all 5,221 rural post offices in Canada?

Given that it was indeed his government that approved that corporate plan, why is it so right for the government to impose that will of shutting down all post offices in Canada? Similarly, what is wrong with wanting to keep all post offices in Canada? Surely if one is deemed to be political interference, the other should be seen as being the same, and if one is not political interference, advocating the other should equally be appropriate. That is the first thing I would like the minister to answer.

Second, the minister says that Canada Post had a deficit in the past, and that deficit was supported by Canadians. I agree. The minister says 80 per cent of the post office's revenue is created by business. Of that 80 per cent, does the minister think that that portion of it was losing money? He said that Canadians would be supporting businesses. Would he not agree with me that the evidence that he has is the exact contrary, that the biggest paying proportion of postal operations is the ad mail business. In fact, that part is the revenue-generating portion that creates tremendous profit for Canada Post, as indicated in the last annual report of the post office.

Given that the minister probably knows that that information is such, I wonder why he pretended a while ago that individual Canadians were supporting businesses by wanting to have a publicly-operated postal system.

Second, if the minister was right—I think I have just proven he is wrong, in any case—in his proposition that Canada Post, and therefore the public, when it was losing money was supporting businesses. If when Canada Post was losing money it was supporting businesses, the public was supporting businesses, would it not be equally right that Canada Post, while making money, would have businesses supporting everyone else? If that is the case, why does he want to sell it now?

Mr. Andre: Mr. Speaker, I did not mean to criticize the member's English. His English is excellent, given that his first language is French. I was merely pointing out that along with a lot of other Canadians, as we get influenced by the United States, the use of adverbs is falling. As Nancy White said on one of her CBC radio shows, will the adverb disappear gradually or will it die real quick. That was the only point.

The so-called policy to shut down rural post offices is nonsense. The way in which all current corporations operate is that they are required under the Financial Administration Act to put forward a corporate plan.

An hon. member: The Crown Corporations Act.

Mr. Andre: The Crown Corporations Act. In any event they put forward a corporate plan indicating what they anticipate in new expansion, growth and so on over the next few years and how they intend to match it. That is there. It is not something the government tells them to do in terms of its details. It is what management proposes to alert the government, alert the House, alert the country, alert everybody, in terms of what this Crown corporation is doing.

The corporate plan indicated the policy in terms of rural operations, and the policy is today, as the hon. member knows, that where there are natural opportunities, and no one is being fired or dismissed—

An hon. member: No. no!

Mr. Andre: I heard the hon. member during his debate talk about his side of Dalkeith, the so-called bribe as he describes it. Whatever it was, in any event the policy is very clear. The policy is that when the—

Mr. Boudria: I accused no one of committing a crime.

Mr. Andre: Gee, I listened to the hon. member. I did not say he committed a crime.

Mr. Boudria: Point of order. Mr. Speaker, I accused no one of committing a criminal offence. A bribe is an offence under the Criminal—

Mr. Andre: Mr. Speaker, I wonder if I will be allowed an opportunity. It seems the hon. member just cannot—

Mr. Boudria: He didn't withdraw.

Mr. Andre: Now here he is, heckling again. He is not allowing me to get a sentence out before he is heckling again. Will he allow me to speak? I sat here and listened to him. I did not interrupt him. Would he please allow me to proceed?

I have not accused the hon. member of any illegal act, for goodness sakes. What I said, as he knows, is that the policy of the post office in terms of—

Mr. Boudria: He did not.

Mr. Andre: Mr. Speaker, I may move an amendment to the Standing Orders that once a member has spoken he shall put a gag on his lip physically and allow others to speak and not heckle and interrupt.

Mr. Gauthier: That goes for you too.

Mr. Andre: I don't heckle and interrupt. The hon. member knows that.

Mr. Gauthier: Never.

Mr. Andre: Now here he is, heckling and interrupting me again. And now the New Democrats. Everybody is picking on me, Mr. Speaker.

The Acting Speaker (Mr. Paproski): I would hope hon. members would not pick on the minister, please.

Some hon. members: Oh, oh!

Mr. Andre: I said, if the hon. member had kept his mouth closed and listened, I do not accuse the hon. member of any criminal act. That is what I said previous—

An hon. member: Now, Harvie.

Mr. Andre: Ah, come on. Once a rodent, always a rodent, eh?

Some hon. members: Oh, oh!

The Acting Speaker (Mr. Paproski): I will recognize the hon. member on a very short point of order, but I think that the hon. minister would probably withdraw that other remark. The hon. member for Glengarry—Prescott—Russell.

Mr. Boudria: Mr. Speaker, if you will review the "blues" the statement has been made by the minister where he said that I had accused someone else of committing a criminal act. The insinuation was not that I had personally committed a criminal act, but that I had made that reference to someone else. I did not make that statement, and I do think that the minister should withdraw any statement that he made with reference to what I had said about someone else committing a criminal act.

• (1240)

The Acting Speaker (Mr. Paproski): We will review the "blues" and then come back if necessary to rectify whatever it is that has to be rectified.

Mr. Andre: He said that I said that he said that somebody might have done something which he says may be a criminal act. He says I should withdraw.

I would like something in return. I would like a commitment from the hon. member that if I withdraw whatever I might have said, and I did not say what he thinks I said, that he will keep his mouth shut, not interrupt me and allow me to continue with the rest of my remarks.

Mr. Boudria: No conditions.

Mr. Andre: No conditions.

Mr. Speaker, let me deal with the substance of his questions, which I thought he wanted answered.

The question of the policy in rural closures is not to fire anybody or dismiss anybody, but when natural opportunities come up, to look at retail postal outlets. Where that has happened in communities of sufficient size, or because of the nature of the business and so on, the reality is that they simply replace the postmaster, postmistress, whoever it may be. The fact is that where the change to a rural post office has been made, it is found to be very popular with the people affected.

On the question of ad mail, the hon. member is wrong to suggest that ad mail is a source of a huge amount of revenue, because that happens to be an area where there is intense competition. The Southam chain and another—I forget the owners of—are also in the business of distributing ad mail door-to-door. If he looks at the annual report, as he claims to have done, he will see that the revenues on that have been falling off, but they never did amount to anything like a significant percentage. The major source of revenues is the first class letter mailers, the billers from banks, businesses and so on. That is the major business revenue.

I again say: "If you are going to run a subsidy, if you are going to run deficits, it is tantamount to the taxpayers of Canada subsidizing those businesses." I do not think that is good economic policy. I do not think that is good social policy. That is why we insist—

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I am delighted to have an opportunity to participate in the debate today.

To make it perfectly clear, what we are debating is the report submitted to the House by the Consumer and Corporate Affairs committee that examined the state of the postal system of Canada. While the committee made a number of recommendations, I think it is fair to say that we, in the New Democratic Party, virtually dissociate ourselves from all of those recommendations.

I must say that my hon. friend, the hon. member for The Battlefords—Meadow Lake has submitted a minority report. It is entitled *Report of the New Democratic Party and the Future of our National Postal System*. It is one of the best reports I have ever read in terms of describing what is being done to the postal system. I suspect that if people are interested in copies, they could simply contact the member of Parliament for The Battlefords—Meadow Lake and get a copy of this excellent report.

I have read a lot of reports on the post office and most of them are rather gobbledegook. They try to justify the dismantling of the postal system of Canada. This is an outstanding report, and examines every minute detail of the postal system. Again, I have to compliment the member for The Battlefords—Meadow Lake for doing what has to be only described as an outstanding job, as a parliamentarian in his work, particularly serving the people of Canada through the providing of a report that describes our postal system so accurately.

More important, it points out not only the problems associated with it, but I could take some time, which I do not think I will today because it is all available here in writing, a number of very important recommendations, 34 recommendations to be exact as to what could be done to make our postal system one of the best postal systems in the world, and maintain its comprehensive nature across Canada.

I listened with interest to the minister responsible for the postal corporation where in a sense he confirmed that it is the government's support of the postal corporation to dismantle 5,221 rural post offices in Canada. This can only be described as being anti-rural Canada. This is the dismantling of important infrastructure in rural Canada.

This is part of an ongoing program of the federal government to abandon support for those living in small communities and rural areas of the country.

As the minister has indicated, they say the post office has to make a profit and be run like a business like General Motors or the Royal Bank of Canada. I do not know why we have to make that assumption. We want an efficient and effective postal system. Why does it have to be run like a business?

We do not run our Armed Forces like a business and we do not expect our navy to make a profit. We do not expect the Royal Canadian Mounted Police to make a profit. We do not expect our hospitals, our long-term care facilities, our universities, colleges or schools to make profits. We do not expect our army to make profits and we do not expect the ambulance service to make profits. There are a number of areas like these that the taxpayers of Canada expect as a service.

We expect to be protected and therefore we pay taxes to have one of the best police systems in the world, the Royal Canadian Mounted Police. We pay taxes and we have a decent health care system across the country. Taxpayers say, not only do we pay taxes but we also pay for the postal service because it is, to a certain extent, user pay.

When I was first elected I think it cost 17 cents for a stamp to mail a letter across the country. Now, not too many years later, it costs 39 cents to mail a letter across the country. That is a tremendous increase in order to cover the cost. The same could be said of postal service for parcels and so on.

The corporation, with the support of the federal government, has denied the opportunity to enter into a whole variety of other services to help it raise money. The postal service in other countries includes many services, such as banking facilities. In very small communities they provide simple and straightforward banking services. They provide all sorts of retail and courier services and so on. In other words, there is a whole range of services that the post office could be providing in terms of revenue raising, but it has had that eliminated.

It seems to me that the government has tried to make it impossible for the postal corporation to succeed, except to dismantle it across the country. I submit to you, Mr. Speaker, that those Canadians who are most adversely affected are those people living in rural Canada and small-town Canada.

I want to give an example of a situation that took place in my constituency in a community called Westwold, British Columbia. Let me describe Westwold, as I know you are familiar with much of British Columbia and I suspect you even know the community well, Mr. Speaker. It was founded back in the 1880s when the first cattlemen brought their herds into British Columbia from the United States on their way to the gold rush. They found this huge area called Grand Prairie to be a fantastic place to feed animals over the winter season.

In the 1880s the agricultural sector was established and it has been a thriving community since. Today, Westwold is a community that is thriving. The farms are well kept and some of the ranches and farms have been there for generations. As a matter of fact, I know a number of families with four generations still on the land. There is the great grandfather, the grandfather, the father and now the young children. That is rather remarkable.

Westwold is one of the oldest communities in western Canada. It has had a post office for over 100 years, which, for western Canada, is a long time to have a post office in a small rural community. It is very vibrant and very alive. People are proud of their community, proud of their heritage and proud of what they have accomplished in terms of developing farms and ranches and a variety of other businesses, particularly in the forest industry.

Here we have a community with a relatively long history by Canadian standards. Here we have a community that is thriving and we have a community where the people are proud of their community and they are proud of their accomplishments. They are good and hard-working people. They work hard to make a success of their lives and they provide for their families in a way that can only be considered a model in our country. Part of the spirit and life-blood of that community is its post office.

• (1250)

That is where a lot of community work takes place, the exchange of ideas and notices, where people do their post office work at a certain time each day. There is a regular pattern of life in the community that focuses around the post office and has done for over 100 years.

The postmaster had to resign a few days ago. This was a sad day in the community. The postmaster performs many functions other than simply handling and processing mail for the people of the area. The postmaster keeps an eye on senior citizens in the area and when they do not show up for two or three days they ask someone to drop in or perhaps the local RCMP members are asked to check out this person to make sure everything is all right. Often they find out that things are not all right. This service is a lifeline in the community.

Within hours after the postmaster resigned bureaucrats from the post office descended on the place and said "This is our chance. We can now get rid of the post office". It was almost sinister. It was sad and a shock to the community. People could not believe that somewhere out there lurks these people who just wait for the opportunity when someone either passes away or has to leave the post office for family reasons, or for whatever reason, and there is a change of postmaster.

The bureaucrats come and pass around notices in the community stating "There is great news. We are going to close the post office". People could not believe it. They were aware that this was going on elsewhere.

My colleague from The Battlefords—Meadow Lake has raised this issue on many occasions in the House. Post offices in Atlantic Canada, the prairies, Ontario and Quebec, and in northern Canada are closing down almost on a weekly basis. Hundreds of post offices have closed. But until it happens to you one does not really appreciate the effect. You cannot believe that the Government of Canada would actually close a post office that has been open for over 100 years. That is what is happening. It is Canada Post Corporation that is doing this with the support of the federal government. If the federal government did not support this initiative, it would speak out.

This is a rural community based primarily on ranching and forestry and because there have been a number of disastrous fires over the last number of months there are no retail outlets in the community. There is no service station or community store because of these drastic and tragic fires which have taken place. There is no place to have a post office. You cannot consider a local service

station, shop or restaurant running a franchise post office on the side, so the alternative is to have none.

A post office serviced the community for decades and now because of this policy there will be no post office. The corporation can say "Cheer up, folks, we are going to put some boxes in your community where you can pick up your mail". That is small comfort for a community that has had a post office for about 120 years. That is despicable, disgraceful and unCanadian. It is anti-rural Canada. It is as if there was a wish to destroy rural Canada. There is always someplace to put a franchise in the cities.

My hon. friend across the way is shaking his head. I can hear him from here.

In rural Canada there is not always an alternative. There is not always a shop to franchise the postal operation. As in this community, there is no way to have a post office. They either have the existing one or none at all.

Do hon. members opposite really want to say that they represent a government that wants to take away the post office from Westwold, British Columbia? I see the Conservatives nodding their head that yes, this is their policy. This is what they support. We, in the New Democratic Party do not support this system. We feel that the taxpayers of Canada, the people who work hard and pay taxes, buy stamps and provide all the necessary costs, deserve to have small post offices.

Mr. Speaker, you should see this post office. This is not a fancy post office with big pillars. It is a little small box. It is a very small place packed full of boxes. It is very crowded and inconvenient for the postmaster. It is a very modest, humble post office. The government is saying "You cannot even have that kind of post office". It is a disgrace. It is unCanadian.

Ms. Mitchell: Right, absolutely.

Mr. Riis: This is not what this country is built on.

The government is saying that it does not have confidence in Westwold, British Columbia.

It does not appreciate what the people who have lived on that land since the 1880s and have developed that community have done for the country. The one federal government installation that provides support for that community is going to be ripped out by this government.

Well, Mr. Speaker, that is like ripping out your heart. It is like ripping a vital organ out of your body.

An hon. member: They want postal services!

Mr. Riis: Listen, he can't understand very well what I am saying, Mr. Speaker. There is a goat or something over there bleating, saying that they want postal services. I am telling you they cannot have postal services because there are no alternatives other than a post office. I know that is a hard concept for the member opposite on the Conservative benches to understand, and I respect that. But I will explain it to him later—as a matter of fact I will put it in writing if it will make it any easier for him to comprehend.

There is something sinister going on in this country. When I read in the report that the government intends to close down over 5,220 rural post offices, I wonder what kind of government would close down every single rural post office in Canada if it had any respect for the people who built this country.

The people who built this country are from rural Canada by and large. We have had a rural-based economy for years. They are the ones who struggle hard. They are the ones who work 18 hours a day and continue to do so. They are the ones who are being challenged by high interest rates and the spectre of a GST and the dismantling of a whole number of services. Now the final death blow to the community, the final spike is being driven into the heart of Westwold, British Columbia, and the people of Westwold, with the government saying it is going to rip out their post office.

Mr. Speaker, it is a despicable act by an uncaring, arrogant government. That is the only way to describe it. I hate to do so because I know the hon. members across the way are not like that. As individuals they are wonderful people, but when they get together in a group something goes wrong. Their minds close off, or they blank out in terms of logic and rationale. There is something about a group of Conservatives that makes me shudder when they get together because this is what they come up with, a lovely plan to dismantle a rural postal system.

According to this report, the government is going to remove support for a number of Canadian publications. In other words, one of the ways that the federal government can encourage a Canadian identity is to promote

and support Canadian publications, such as *B.C. Beef* which is a very important communication tool for the livestock industry in British Columbia. We struggled and got a postal subsidy so that they could actually circulate their publication. Ranchers and cattlemen read it regularly and learn what is going on in the industry. They are up-dated, educated, and informed of the state-of-the-art machinery and technologies involved.

That is likely going to go now because the government is saying it can no longer afford to support Canadian publications like this anymore, it cannot afford to encourage the development of Canadian culture and communication. Publications like *B.C. Beef* are probably on the chopping block as a result of the government's initiative to make money.

When the government says it has decided to change everything and will have our Armed Forces make money then I will understand. But I see my time is quickly running to a close so I would like to move an amendment to the concurrence motion. I move:

That the second report be not now concurred in but that it be recommitted to the Standing Committee on Consumer and Corporate Affairs with instruction that they have the power to amend the same so as to recommend that Canada Post remain a crown corporation and that a commission be appointed with the powers to oversee Canada Post.

The Acting Speaker (Mr. Paproski): It being one o'clock, I do now leave the chair until 2 o'clock p.m.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

TRIBUTE TO JEAN FONTAINE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, today I wish to pay tribute to Jean Fontaine who on April 24 was awarded the *Prix Robert Cliche* by the *Corporation du Salon du livre du Québec* after a unanimous vote by the jury, as part of the Festival national du livre, for his novel: *Les lièvres de Saint-Giron*.

In addition to being a writer, Jean Fontaine also works as a cameraman for Radio-Québec in Val d'Or. Incidentally, he was born in Rouyn-Noranda in 1958.

His book, to which the author referred somewhat humorously as an allegoric adventure story, has an unusual history. It was submitted to several publishers, including *Éditions Quinze* where it was initially turned down but later published. His novel also provided the basis for a scenario for a feature film in 1981 and for a dissertation submitted towards a Master's in literature at the UQAM in 1983.

Mr. Speaker, we congratulate the winner of the Twelfth *Prix Robert Cliche* for young Quebec writers and wish him every success with his current activities.

* * *

[*English*]

AGRICULTURE

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, the Ontario agri-food industry is under attack while the government sits idly by.

It has been confirmed that a large Toronto based vegetable oil refinery has purchased 10 million pounds of subsidized soy oil from Spain. Spain imports soybeans from Brazil and the United States, crushes them, then exports the oil at a subsidized rate to protect its olive oil industry.

In contrast, the Canadian government is refusing to protect the soybean producers by allowing unfairly subsidized oil to be dumped in Canada. This dumping was brought to the attention of the Canadian government by the grains and oil seeds critic and the Ontario soybean producers over two weeks ago, and raised in the House at the first possible opportunity, but the ministers did not respond.

In my riding, as in ridings across Ontario, this will have drastic effects on the agri-food industry. If gone unchecked, it could cost the Ontario industry $8.5 million.

I call upon the government to act immediately by countervail tariff or other anti-dumping measures at its disposal to protect this valuable Canadian industry.

* * *

NATIONAL BOOK FESTIVAL

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, this week is the Canada Council's 1990 National Book Festival. For the twelfth consecutive year there will be a national celebration of Canadian books and authors. More than 500 Canadian authors will participate in

projects planned for 442 cities, towns and communities throughout the country.

The theme of this year's festival is "Book an Adventure". The activities planned are as diverse as the country itself. This year there will be public readings of prose, poetry and drama, writing workshops, instant book productions and many film festivals based on Canadian works.

I invite all Canadians to participate in this year's activities, and to take the time to read to our children and to help those who have reading problems. The ability to read is a skill that we should not take for granted.

* * *

BANKING

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, yesterday the Conservative government gave the giant U.S. corporation, American Express, the right to go ahead and establish itself as a bank in Canada, and essentially do the kind of business that our own Canadian banks are, by the laws of Canada, not allowed to do.

Further, this Conservative government has given the American Express Company bank status that the company is not even entitled to in the United States, because the business that AMEX conducts is not considered appropriate to a bank in that country either.

Even if the government proceeds with the changes in the financial regulations, the head start it has given this American company is unconscionable. Is the selling out of Canadian interests the price this government is willing to pay for the support that AMEX has given it in terms of the free trade deal?

I find it appalling that this government has chosen to ignore the laws and the interests of Canada.

* * *

RESEARCH AND DEVELOPMENT

Mr. Scott Thorkelson (Edmonton—Strathcona): Mr. Speaker, in today's highly technological world, individual Canadians, industry and governments have to rethink the commitment presently being made to research and development in this country.

This government is instituting many economic reforms to make Canadian goods more competitive in the international marketplace. Not only is this an important step, it is essential. But we must not stop there.

To ensure the prosperity of future generations of Canadians, we must devote more effort to research and development, not only through government but through industry and universities as well.

In recognition of this fact, the government has established the Centres of Excellence Program, which promotes excellence in science and co-operation between these three institutions of our society.

This innovative program encourages research relevant to industrial competitiveness, working toward making Canada a strong player in the international marketplace. We can compete.

* * *

CROATIAN ELECTION

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, this weekend members of the House were privileged to have been invited to monitor the first democratic elections held in the Republic of Croatia in more than 40 years. The results mirrored those of last month in the neighbouring Republic of Slovenia in a clear repudiation of the Communist party and all that it has represented.

It was heartening to observe this extremely emotional event and to witness the democratic zeal and excitement brought about by this unique opportunity. Croatians take their democratic responsibility very seriously and the rejection of the iron fist of the Communist party, after a history of repression, was an honest expression of a people who have suffered greatly.

As my colleagues and I watched the political process unfold, we were acutely aware that history was in the making and that once the floodgates of democracy have been opened, it will be difficult to retreat from the course of ongoing reform.

I hope that all members of the House will join me in congratulating the Croatian people and welcoming them as the newest member of the international democratic family.

CFB SUMMERSIDE

Mr. Joe McGuire (Egmont): Mr. Speaker, today, April 26, we will observe the first anniversary of the most infamous budget leak in Canadian history. For the people of P.E.I. the most vivid recollection of that budget leak was the announcement of the closure of CFB Summerside.

The town of Summerside, the riding of Egmont and the province of P.E.I. were in shock. The second largest employer on the Island was to close. Twenty-six hundred jobs would disappear. A $50 million payroll would be lost.

The people of Summerside and area gathered their forces to fight the closure, to fight for the life of their town. The Friends of CFB Summerside was set up. A Mother's Day march and a Caravan of Hope to Ottawa were organized. A federal-provincial task force was established. A comparable federal presence was promised. A private consulting firm was hired, but the report is still top secret. We are still waiting for the announcement.

One of the worst situations is the plight of the civilian workers. Some are being uprooted from their homes. Some are getting lay-off notices and are facing unemployment in a depressed area.

The solution is obvious. Leave 413 Search and Rescue Squadron where it is. Summerside is the best location. P.E.I. would have a military presence, it would save lives and it would save the government money.

* * *

• (1410)

[*Translation*]

NATIONAL VOLUNTEER WEEK

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, this is National Volunteer Week, an opportunity for all Canadians to pay tribute to so many of their fellow citizens who work for the well-being of their community.

Individually or as members of a group, about 13 million Canadians have made volunteer work part of their lives. Without them, many programs and agencies would no longer exist. Many of these organizations have made it their aim to remedy the inequities and injustice in our society.

Through volunteer work, all Canadians have a chance to play an active role in their community. Volunteer work and the personal commitment it represents are firmly anchored in the democratic principles on which Canada was founded. In fact, this active personal commitment is considered to be one of our basic human rights.

Without the contribution of its volunteers, Canada would not be as we know it today. The generosity of these Canadians is therefore an important part of our national identity.

Today, I urge you to join me in congratulating all volunteers and to thank them for the invaluable contribution they are making to our society.

Some hon. members: Hear, hear!

* * *

[*English*]

OCCUPATIONAL HEALTH AND SAFETY

Mr. Stan Keyes (Hamilton West): Mr. Speaker, on Monday, April 23, this House voted in favour of my private member's motion calling upon the government to reinstate funding for the Canadian Centre for Occupational Health and Safety.

Although the government had planned to remove all funding for the centre by next year, even Conservative members opposite voted in favour of reinstating its funding, clearly signalling their disapproval of the government's privatization plans.

For ten years the CCOHS has provided Canadians with cost-free, impartial and unbiased information on occupational health and safety matters. Under privatization the centre would concentrate its efforts on the sale of products as opposed to the delivery of vital services.

In an open letter delivered to the Minister of Labour yesterday, I stressed that, in light of all-party support of the motion, the minister is now obligated to reinstate full funding for the Canadian Centre for Occupational Health and Safety.

This place has spoken. Canadian workers anxiously await the minister's reply.

S. O. 31

[*Translation*]

REGIONAL ECONOMIC DEVELOPMENT

Mr. Gilbert Chartrand (Verdun—Saint-Paul): Mr. Speaker, the federal government has admitted that certain groups of the labour force in the urban area of Montreal have major economic problems. The south west sector of Montreal Island is represented by a committee of volunteers who have joined forces to invite all three levels of government—municipal, provincial and federal—to form a partnership and co-ordinate the implementation of their various economic programs.

In this connection, the Minister of State for Employment, the Hon. Monique Vézina, and the Minister of Labour, the Hon. Jean Corbeil, announced on April 9 that $1.2 million had been set aside for the current year as financial support for the harmonization committee of the City of Montreal and the economic and community development corporations (CDEC).

The partnership concept promoted by the forum on employment was reflected Employment and Immigration's participation in the Montreal action plan for neighbourhood economic development.

Thanks to this concept, the development committee will be able to adjust our employment and training programs to the specific and pressing needs of the community.

Mr. Speaker, Bill C-21 provides for a similar, dynamic use of unemployment insurance funds. Bill C-21 would let us do more to meet labour force needs. The recent announcement by the Minister of State for Employment reflects our desire and our ability to help workers overcome their difficulties by ensuring that they will be able to obtain worthwhile and permanent employment.

* * *

[*English*]

LAW OF THE SEA

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, the Prime Minister likes to speak of the need for international co-operation to solve global problems. If he wishes to be taken seriously he should see to it that the Law of the Sea is ratified to honour Canada's commitment in 1982. Because of the Prime Minister's lack of leadership, Canada has not done so.

The Law of the Sea, intended to serve humanity in managing the oceans, is unenforceable because an insufficient number of nations have ratified it.

When will the Prime Minister cross the bridge between rhetoric and action? If he is to be taken seriously on environmental issues, Canada should ratify the Law of the Sea, but the political will, alas, seems to be missing.

* * *

TRADE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, yesterday we were reminded of just how effective the free trade agreement has been for Canada. It was another victory for the United States, this time on the issue of lobster exports.

Atlantic Canadians have heard repeatedly that the Conservative government intends to defend the interests of our lobster fishermen. The Minister for International Trade described U.S. action against Canadian lobsters as trade protectionism at its rankest. The Prime Minister told the House that the full weight and influence of the Canadian government would be brought to bear on the U.S. Congress and administration in an attempt to settle this very serious problem, in the interests of our fishermen.

The consequences of the U.S. action are estimated to cost the Canadian lobster industry up to $127 million over the next three years.

It appears that the Department of Fisheries and Oceans has already given in, indicating in a briefing book that discussions are now under way with industry on how best to implement the changes made necessary by this American government action. The final decision will not be made until May 15, yet the federal Department of Fisheries has conceded defeat already.

Whose side is the government really on?

* * *

VOLUNTEERS

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, last Saturday I had the pleasure of attending the ninth annual Volunteer Recognition Banquet. In attendance were some 200 people, representing over 4,000 volun-

teers from throughout the communities of Abbotsford, Matsqui and Clearbrook. The energy and good will that filled the Ag-Rec building of the Central Fraser Valley Exhibition Park was phenomenal.

It has been said that volunteers are the heroes of our society and I can tell you that it is a great feeling to spend an evening with 200 heroes.

The Matsqui Abbotsford Recreational Committee awarded three individuals—Fred Phillips, Frank Bogle and John Whittenburg—with commemorative plaques in appreciation of their exemplary commitment. Commitment is what volunteering is all about, commitment to the sense of community. It makes me proud to live in a community that is so well served.

To the thousands who contribute selflessly as volunteers, thank you and congratulations.

* * *

STANDING COMMITTEE ON ABORIGINAL AFFAIRS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, on April 11, at a public meeting before witnesses, the Aboriginal Affairs Committee, without a dissenting vote, invited Georges Erasmus to attend committee meetings to question ministers on the budget Estimates affecting native people. At this meeting a minority of government members were present.

Yesterday, the committee met again, on short notice *in camera*, to discuss committee business. This time, all the Tories attended but there were no Liberals. As a result, Tory members were able to push through two resolutions. One limited the ability of committee members to present motions without notice and the second disinvited the National Chief of the AFN to assist the committee in questioning the ministers on Estimates.

It is time the Liberals and Tories attach some priority to attendance at meetings of the Aboriginal Affairs Standing Committee. How can the committee retain any credibility if it reverses its decisions from one meeting to the next, based on whether Liberal or Tory members are interested enough to attend?

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance. Yesterday the Canadian Manufacturers' Association issued a report which stated that the government's policies on interest rates and the dollar have already placed our manufacturing sector in a recession and that these policies could "permanently damage the manufacturing sector".

Is the minister going to persist in this high interest rate, high dollar policy which the Canadian Manufacturers' Association has said would permanently damage the manufacturing sector of the country? Why does he want to do permanent damage to a sector that is the foundation in many ways of the entire Canadian economy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, on three separate days I have answered a series of questions on this same topic.

Mrs. Gaffney: We never got an answer.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the hon. member says that I have not given an answer. I think she will read in *Hansard* that I have answered as precisely and as fully as I can. I am going to give another very precise answer and I would encourage her to listen carefully to it.

In the early part of 1989, we had business credit growth in the country somewhere between 9 and 10 per cent. In the early part of this year, business credit growth is in the 11 per cent to 11.3 per cent range. In consumer credit growth, in the early part of the year, we were at 14.5 per cent. It is down in the 11.5 to 12.5 per cent range in the most recent figures, but the economy is growing at a rate of 7 per cent.

By either of these measures, bank credit growth has been growing more quickly than the economy has been growing, and that is a prescription for further inflation unless we can slow down that credit growth. The best way that we know to slow down that credit growth is to have an interest rate policy which puts interest rates higher, makes that credit more expensive, and, therefore, will slow down the credit growth. That will solve the problem of inflation, which is the thing that we are

most concerned about, and which is what a government in the 1970s did not take seriously enough. That led us to the problems of the very serious recession in 1981–82. Surely, the hon. member remembers those problems.

• (1420)

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, Canadians would like an answer to the conclusions and concerns of the Canadian Manufacturer's Association, as expressed in a report which came out only yesterday afternoon. With respect to the point the minister is trying to make, the association states:

> The objective of monetary policy is to permit economic growth with reasonable price stability. We believe the balance has shifted excessively to price stability at the cost of undermining economic growth and competitiveness.

Is the minister now going to listen to the Canadian Manufacturer's Association on this, or is he going to persist in policies which drive manufacturing and jobs out of the country? If so, how can he follow a policy which is so damaging to the Canadian economy?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I listen to this new-found concern of the Liberal Party for the manufacturing sector of the country.

Mr. Peterson: Nonsense. We've been there all along.

Mr. Wilson (Etobicoke Centre): The member for Willowdale suddenly wakes up.

Some hon. members: Oh, oh!

Mr. Speaker: Order. The minister is responding, apparently, to a new-found concern. I am sure all hon. members would like him to continue his answer.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, thank you for drawing me back to the question.

The question is: What are we doing for the manufacturing community in the country? We are removing the manufacturer's sales tax which will lower the cost of doing business for the manufacturers in the country.

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): It will make them more competitive in international markets and will make it better for them to be able to sell their products on international markets. What do we hear from the Liberal Party of Canada? It says, "Scrap the GST, go back to the manufacturer's sales tax."

You cannot have it both ways. You cannot, on the one hand, talk about saving the manufacturing sector from the high interest rates and, on the other hand, increase the cost of doing business for the manufacturing community by leaving the manufacturer's sales tax in place.

Canadians understand when a political party is talking out of both sides of its mouth and that is what the Liberal Party of Canada is doing.

Some hon. members: Hear, hear!

Some hon. members: Oh, oh!

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, Canadians' understanding of this government is reflected in the polls.

An hon. member: Right on.

An hon. member: Exactly.

Mr. Gray (Windsor West): Obviously, the government will not go up in the polls with that kind of remark.

Mr. Speaker, the Canadian Manufacturers Association also said, and I quote: Manufacturers are being beaten with the blunt instrument of monetary policy for inflationary problems for which they are not responsible. Why is the minister refusing to listen to Canadian manufacturers who create so many jobs? And when will the minister stop harassing them and stop driving companies and jobs out of the country?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as I said on Tuesday of this week, I take no comfort at all in what is happening to some of the companies that are finding it tough to do business today. But I know what the alternative is. The alternative is an increase in inflationary pressures which will lead to higher interest rates on a more permanent basis and that will be far, far more damaging to the manufacturing sector of the country than the policies that we are following today.

If we want to see proof of that, we need only go back ten years to find out what happened when the Liberal government—the government that my hon. friend supported—ignored the problems of inflation. It led to a blow-off in the inflation rate of 13 per cent in 1981. That

led to the very high levels of interest rates in 1981 and 1982 and the high levels of unemployment that were caused by that. That is what we are trying to avoid.

Mr. Douglas Young (Gloucester): Mr. Speaker, the minister has to understand that representatives from every sector of our economy are now asking that interest rates be reduced and that the value of the Canadian dollar be allowed to fall.

Is the Minister of Finance going to listen to business, labour, and consumers, or is there a part of the free trade deal that requires the Canadian Government to keep the value of the Canadian dollar above 80 cents and is that, in fact, why it will not lower interest rates?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have had this red herring time and time again. If the hon. member understood how financial markets work, how interest rate markets work, how the Canadian dollar market works, he would never ask that question. He would know that if a commitment of that sort were given it could not be fulfilled.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, the Governor of the Bank of Canada is clearly obsessed with zero inflation, and now the government is supporting that obsession. I want to ask the Minister of Finance today, since he is responsible for Canada's monetary policy, whether, considering demands across this country from all sectors of our economy, he is prepared to see Canadian interest rates and the value of the Canadian dollar go down. The time has come to listen to Canadians. The minister did not listen to them during the GST debate. Will he now listen to what they have to say about interest rates?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if there is one thing that the government and I, as a minister, can say we have done, it is that we have listened very carefully. We have consulted broadly about all the ranges of economic policies that we have put in place over the last five and a half years. That is a matter of fact; that is a matter of the record. It is not a matter of judgment on the part of anyone.

We have talked to a wide range of people, during the course of the last few months and the last few years, on the questions of economic policy, be it it is inflation, monetary policy, or fiscal policy. We listened and we have taken all that into account in the decisions that we have taken as a government.

My hon. friend talked about an obsession. Our obsession is to have good, non-inflationary, sustainable growth over an extended period of time. We had a good period of that in the latter part of the 1980s, from 1984 through to 1989. We are going through a rough period now, but our commitment is to get back on that track of sustainable, non-inflationary growth, and I believe that if we continue these policies we will be able to do so in the very near future.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a question for the Minister of Finance. The discount rate of the Bank of Canada today went up for the twenty-first time since 1988. The Canadian Manufacturer's Association is stressing that the manufacturing sector across the country is being devastated by these interest rates.

I want to quote another economic observer who put things as follows:

> The inflation rate is between 5 per cent and 6 per cent. The current interest rate at 13 per cent or 14 per cent is simply too high."

Does the minister accept this clear judgment, and will he act to bring these rates down now?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that the answers that I gave earlier this week in the House, as well as those I have given today, are a very clear response to that question.

We have indicated very clearly our concern about inflationary pressures. We are determined to get those inflationary pressures down. When they do come down, interest rates will come down. That is very clear. That is a clear statement of this government's policy.

Mr. Steven W. Langdon (Essex—Windsor): Of course, Mr. Speaker, that quote was the hon. Minister of Finance, himself, when he was in opposition.

• (1430)

I ask the minister if what was right then is not right now. If what was right at that time as an analysis that those interest rates were too high at 13 to 14 per cent,

with an inflation rate of 5 to 6 per cent, and if that was wrong then to keep those rates so high in December 1982, according to Michael Wilson, why is it suddenly right now, according to the Minister of Finance?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me say to my hon. friend that I would like him to show me that precise quote. I would like to see that precise quote, but I will respond to the question, in any event.

The statements that I was making in 1981–82 were presenting an essential position that decisions that had been taken in the 1970s and the early part of the 1980s led to the problems that we were facing at that time. That is exactly what I am saying today. Mistakes were made then. Surely my hon. friend would like to learn from those mistakes today and avoid the problems of the 20 to 25 per cent interest rates and the 13 plus per cent unemployment that spread across the country after that. This is the problem that we are facing. We want to avoid seeing that repeated.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I must say I am entranced. I am interested in discovering which Michael Wilson was mistaken. Was it the Michael Wilson of 1982 or the Minister of Finance of 1990?

In view of the precise conditions being exactly the same as the minister stated in 1982, is he not in fact doing a complete flip-flop on the position which he took in the past with reference to interest rates, and does he not recognize that this country requires, for the sake of consistency, that he bring these interest rates down now?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I note that my hon. friend has not given me a precise quote and he has not sent that quote over to me. I again ask him to give me that precise quote and then we will talk to that. What I will say is that the Mike Wilson of 1981, the Mike Wilson of 1979 when I came to this House, and the Mike Wilson of 1990 is exactly the same person.

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AMERICAN EXPRESS

Mr. Jim Peterson (Willowdale): Mr. Speaker, my question is to the Minister of Finance. How can the minister tell this House that American Express has not received a special deal when the government has broken five out of its own nine guidelines?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I have had frequent opportunities to explain to the hon. member, here and in committee, why this decision was taken and why it was such a good decision.

Here we have an organization, one of the world's largest financial service institutions, that is already operating here. They are here today and they were here yesterday, unregulated, doing exactly what they will be doing tomorrow, providing competition. We wanted to bring them in line with others and allow them to compete within the Bank Act.

I am fully satisfied that this is a good decision and this will not prevent us from making sure that good, sound, vibrant national institutions develop in this country. But we must bring in more competition for consumers.

Mr. Jim Peterson (Willowdale): Mr. Speaker, the American Express bank licence is fraught with suspicion. We have the flaunting of our guidelines. We have the role of three American Express directors, James Robinson, Ross Johnson and David Culver, all leaders of the pro-free trade lobby during the last election. We have the last minute Order-in-Council sneaked through by this government on November 21, 1988, election day. Now we have the finance minister's broken promise that Canadians would see their new financial legislation before this licence would be issued.

There are many unanswered questions. Will the government agree to an independent judicial inquiry so that all the facts regarding this very special deal for a special friend can be made public?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I think I will give up hope of ever convincing the hon. member that he is wrong, but he is.

American Express first approached this government in mid-1985. They started discussing it seriously in 1986, years before the free trade agreement came into place. We had very serious discussions with them because we wanted them to be brought in within the Bank Act. We asked them to move out of certain areas. We looked at the precedent created by the Liberal government when it was in power, giving authority to the Midland Bank and giving to the German Deutsch Bank the right to have links with Mercedes. We looked at that very seriously and we convinced ourselves that we could accept them,

and we should accept them for the good functioning of our institutions having more competition.

As I said, this is a publicly traded, widely owned, well capitalized institution that has given us all the guarantees we need to proceed with the licence.

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INDIAN AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, in the absence of the Secretary of State for External Affairs, my question is to the Minister of Indian Affairs and it concerns a very serious and even tragic matter.

As the minister will know, the proud people of the Mohawk community of Akwesasne in my riding are virtually hostages in their own community as a result of disputes between pro and anti-gambling natives on the U.S. side of this reserve.

Since the community straddles the Canada-U.S. border, has the minister contacted or will he contact the Secretary of State of the United States, Mr. James Baker, and ask for his immediate assistance so that both Washington and Albany can get involved and take their responsibility in this very important issue.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I thank the hon. member for Glengarry—Prescott—Russell for a very seriously motivated question about a series of incidents which led to a very unfortunate conflict on Monday and Tuesday of this week in the Akwesasne Mohawk community.

There have been extensive discussions among government officials, federally and provincially, over the past day or more with a view to calming and restoring order in the community of Akwesasne, particularly the St. Regis community on the Canadian side of the border.

As part of that effort, ministers have been involved and contacts have been made with the solicitors general of Quebec and Ontario and important international initiatives have also been taken.

Our embassy in Washington this morning approached the United States State Department to underline the Canadian government's concern about the escalating violence on the reserve, to express concern about the effectiveness of policing action on the U.S. part of the reserve in order to curb that violence, and our officials made it clear that this issue requires the full co-operation of law enforcement agencies on both sides of the border.

The State Department, in turn, assured Canada that they were aware of the seriousness of the situation and have initiated contacts with the New York State Governor's office and the Bureau of Indian Affairs with a view to taking action. The State Department concluded by indicating that they would be in contact with our embassy as soon as possible to report on specific further actions to be taken by U.S. enforcement agencies on their side of the border.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I appreciate the minister's response. Unfortunately, yesterday Major Robert Leu of the New York State Police is quoted as having said that his police would not intervene for the following reason: "We are viewing it as an internal matter".

I am sure that I speak for both my colleague for Beauharnois—Salaberry and myself when I say that this kind of reaction on the part of U.S. authorities is most inappropriate when the lives of both American and Canadian citizens are at stake.

• (1440)

Given that 2,000 people are landlocked in St. Regis, 26 cars have been burned, the cultural centre was burned, four and a half hours of gunfire took place the night before last, and today I have just learned from speaking to the chief that one person is reported missing, will the minister again ensure that not only the authorities in Washington co-operate but that we get specific action from Albany, particularly in the area of the State Troopers?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am sure that the hon. member and all members of this House would want to know that we also have initiated actions on the Canadian side. I have already answered the question regarding representation to the U.S. State Department, state authorities and officials and we expect a response from them very, very shortly.

As well, I personally met with Chief Mike Mitchell, Grand Chief of the Mohawk Council of Akwesasne, and

leaders of the tricouncils last night here in Ottawa. I have been on the phone to Chief Mitchell again today.

As a result of our intervention with the Attorney General for Ontario, OPP police patrols were instituted on Cornwall Island last evening. As a result of that, I am told, the evening passed in a very peaceful and orderly fashion and that as of this moment peace has been restored.

We hope to have further information to report as it becomes available.

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WOMEN'S CENTRES

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, my question is for the Deputy Prime Minister. Recently, in Vancouver the Meralomas Rugby Club hosted something they call "hard rock night" a so-called party. At this event, they put on a skit of the Montreal massacre with a floor plan of the Ecole Polytechnique with drawings to show where the young women had died. Toy guns were passed around at this party. A video was shown of a Chinese person, his pockets stuffed full of money, going around buying up Vancouver real estate and at the end the Chinese person was hanged. This is something—

Mr. Speaker: Just a moment. As the hon. member knows, I come from Vancouver and played many games of rugby against that particular club, but that is not why I am rising. The reason I am rising is that I cannot see the relevance of the question to anything that has to do with administration of government. I wish the hon. member would put her question very clearly and perhaps we could then see what it is.

Ms. Black: Mr. Speaker, this government has cut back funding to women's programs—

Some hon. members: Oh, oh!

Mr. Speaker: I am sorry. I would ask the hon. member to put her question.

Ms. Black: Will the government reinstitute the funding that has been cut to women's programs and to multiculturalism over the past two years so that the very badly needed education in this whole area in Canada will be addressed?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, that is absolutely outrageous. The program that has been reduced in my ministry does not—and I repeat—does not and has never funded activities which provide direct social and health services to the public.

There was a specific program that was used for information, for advocacy, for education. That program now has less money. That is recognized. Core funding, as a result, was taken away from the women's centres.

I have had some excellent meetings with women across the country. We have been trying to look creatively on how we both, in partnership, and certainly we are looking for ways of diversification as well, can guarantee their continued existence. That process should be allowed to continue right now.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, that is my point exactly. This funding was meant for education to address these very issues. This has happened not only in Vancouver, it has happened at Queen's, it has happened in Calgary, it has happened in the Maritimes and the answer from these people is that women do not have a sense of humour. They need the education. That is what the women's program funding is meant to do, provide the education. Reinstate it. Reinstate the funding for educational purposes now.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, we indeed had some excellent meetings in the last few weeks with representatives of women's centres from coast to coast. We indicated quite clearly that if they had any creative ideas that I would be prepared to examine them, which is being done, and I will get back to them as soon as we have had an opportunity to review carefully what they are asking me to look at.

* * *

[*Translation*]

EMPLOYMENT

Mr. Gilbert Chartrand (Verdun—Saint-Paul): Mr. Speaker, current economic restructuring in Montreal is causing serious problems for workers in that city. My question is directed to the Minister of Employment. What does the minister propose to do to solve the problem of cyclical unemployment and manpower adjustment on Montreal Island?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, our government is aware of the serious problems being experienced by a number of Montreal workers. We are now considering measures to help these communities, and that is the spirit in which we, as a government, tabled the Canadian Jobs Strategy and Bill C-21, which will help us set up community development programs and improve training. Allow me to repeat what I said yesterday and urge our friends in the other place to ensure that Bill C-21 is passed as soon as possible.

* * *

TRADE

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans. During the free-trade debate, fishermen had been given the assurance that the bi-national panel would protect Canadian interests. However, the first decision on salmon and herring went against Canadian fishermen. The second decision on lobster seems to go against them as well. The Americans are going to win again! It is now 2-0 for the U.S.

Why is Canada unable to enforce its conservation standards, as in the herring and salmon case, while the Americans, who are using conservation as an excuse to control the lobster market, have won their case? What is going on?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the first panel report under Chapter 18 on B.C. salmon and herring led to a settlement of that issue which was in the interests of Canada, as well as being in the interests of the United States and it was certainly not a victory for either side.

With respect to the lobster question, there is no report yet. There was an interim report which was given to the parties on a confidential basis under the terms of the FTA, so that they can make further submissions to the panel before the panel reaches it final conclusions.

We will know on May 15, what the final conclusions are of the majority.

[*Translation*]

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my supplementary is directed to the Minister of Fisheries and Oceans. Last September, the Prime Minister promised to intervene to prevent Americans from taking this kind of action. Unfortunately, the Prime Minister was unsuccessful. Does the government have a support plan for our lobster fishermen who stand to lose more than $30 million because of the free trade panel's negative decision and also, of course, because of the Prime Minister's failure to turn the situation around? Has something been planned for these fishermen?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, there is no report of this particular panel as yet. Even anticipating the report that might be made, it is quite clear that opinion in the lobster trade is certainly divided on this issue and that there are several schools of thought on the issue.

I have no doubt that if lobster fishermen require assistance because of any untoward events that occur with respect to them, that will receive careful consideration, but there is no indication of that at the moment.

* * *

TRANSPORT

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, my question is directed to the Deputy Prime Minister.

One thing that both sides of this House can agree on is that there is a shortage of air traffic controllers in Canada, particularly at Pearson Airport. We may dispute how many we are short, but we all know that there is an acute shortage.

Considering this shortage and the hours of overtime that each controller must put in to keep the system at Pearson working, how can the department reduce the number of air traffic controllers by considering overtime cuts at Pearson this year by $1.9 million?

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I want to thank the hon.

member for his very timely question. Yes, while there is concern among the air traffic controllers and their ability to handle the traffic, every effort is being made to make sure that safety is not compromised.

• (1450)

The hon. member will recall a year ago that, when there was a concern that there was too much traffic going in and out of Pearson, a limit was put on the number of planes that could go in and out of Pearson to make sure that the traffic controllers that were on staff would be able to adequately handle everything in a safe environment.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, on a supplementary, just let me read from the protected memo: "The first thing to go will be all project work, meetings, refresher development training. This will not be nearly enough to meet the amount that is going to be cut: the speciality shifts, the tower, the north, south, east and west specialty shifts. Naturally, levels at Pearson will drop, as will probably the cap at Pearson".

It just seems that we cannot afford any more of this nonsense going on at Pearson. We have to take hold of this airport and find out what is going on with the security, the air traffic flow and so on. What is happening at Pearson?

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): I can assure the hon. member that nothing is being compromised with regards to safety at Pearson International Airport and nothing will be compromised.

I can certainly appreciate the member's concern with the ability of being able to handle the traffic that is demanded at Pearson. I can assure him that the traffic control system of training is filled to its capacity and every effort is being made to entice more traffic controllers into the system so we can make sure we fill the needs as they become available.

* * *

THE ECONOMY

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Minister of Finance.

As the minister knows, the Canadian Manufacturers' Association has asked the government to reinstate the wage and price controls that the Liberals introduced in 1982.

Will the Minister of Finance, who is obviously following the high interest rate policies of the Liberals, guarantee to hundreds of thousands of Canadians that they will not have their wages rolled back or limited by further government action?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I have made it quite clear that I do not believe in wage and price controls. I do not think that they work.

Mr. Rod Murphy (Churchill): Mr. Speaker, the minister may say he does not believe in them, but what we need is a guarantee that he will not do exactly as he said in the past. He said he was against high interest rates, but now he has high interest rates.

What is he going to do in the future to make sure that Canadian workers are not going to be forced into a regime of wage controls?

He said he was against high interest rates. We have high interest rates now. He says he is against wage and price controls. Are we going to have wage and price controls in the future?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my criticism of the previous policies of the Liberal government have been because they followed from very inappropriate policies that disregarded the seriousness of inflation and that led to the high interest rates that came about in 1981–1982.

That is the sort of policy that we are trying to avoid today, by trying to stop inflation now when it is 5.5 per cent and not let it run to 13.5 per cent. When it goes as high as 13.5 per cent, you are bound to have a blow-off like we had in 1981 and the resultant disaster in the economy and the high interest rates that led to that. That is what we are trying to avoid right now.

Mr. Pat Sobeski (Cambridge): Mr. Speaker, my question is for the Minister of Finance.

What are the consequences of the Senate's protracted delay in passing the income tax changes arising from the April, 1989 budget contained in Bill C-28, which included a tax on large corporations?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, that is a very timely question. The 1989 budget and the large corporations tax were a very important part of the policies that we have been following to get the

deficit down and to put a better balance between the interest rate policy and the budgetary policy.

What is happening as a result of the delay of Bill C-28 in the Senate is that corporations are not paying on time their large corporations tax. The result is that about $200 million worth of revenues that we could have put into the last fiscal year have gone uncollected. That is the problem when the Senate takes the actions that it has to delay these bills.

This action by the Senate, I believe, is a sharp departure from Canadian constitutional practice. I do not think that there have been times in the past when there have been money and tax bills such as this delayed for as long a period of time as they have. It is important for us to realize the significance of this and the importance of having the Senate blocking a measure that has been put in place by a properly elected government.

* * *

[*Translation*]

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the Secretary of State. I want to get back to the federal-provincial agreement signed by Saskatchewan and Canada on establishing a system under which the French minority in this province would control and manage its own schools, which would be a first for this province.

I would like to know, considering the fact that the province has backtracked, put the plans on the backburner, in fact, has put the whole project on hold, whether the secretary of State will give the House his guarantee that all monies, namely the $26 million to be provided over a ten-year period, will be withheld and not given to the province until it has developed a program with a firm commitment and written guarantees for the Government of Canada that it will proceed as soon as possible.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): You are no doubt aware of our very firm commitment, having read or having heard what was said by the Prime Minister who indicated he was disappointed that the government of Saskatchewan had not found a way to introduce legislation during the current session.

I also had a discussion with the minister, Mr. Meiklejohn, who told me about the reasons for the delay. I am sure you also read what was said by the Commmission nationale des parents francophones. Mr. Poirier says he is very pleased with Mr. Mulroney's gesture. I quote: "By offering Saskatchewan his government's co-operation, the Prime Minister of Canada has shown the kind of leadership all Francophones outside Quebec will appreciate".

We will follow further developments very carefully.

[*English*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I will put the question in English. I am asking the minister if he will not, today, give us the assurance that he will not spend any of that money until Saskatchewan has given a firm commitment, in writing, to Canada, that they will proceed. That is a simple question. I do not want to know about all the other correspondence they have exchanged. I want to have the assurance that that money is there for that purpose, nothing else.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, there is a 10-year agreement between Canada and Saskatchewan. It calls for the disbursement of funds as those expenses are made.

Mr. Gauthier: We know that. Yes or no?

Mr. Weiner: Obviously, certain processes are ongoing. We have the assurance and the firm commitment of the Government of Saskatchewan that they are going to be proceeding within the briefest delay possible. Obviously, work will continue, and we will continue to meet our part of the commitment.

There is an agreement in place. We expect to make sure that that agreement is carried forward.

* * *

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is to the Deputy Prime Minister, the Minister of Agriculture. Almost a month ago, the minister announced a special funding for farmers facing financial

crisis this spring. So far, not one dollar has been paid because provinces have not been able to come up with their share of the money.

This morning, the Associate Minister of Agriculture for Saskatchewan, Mr. Harold Martens, said: "We are not in a position where we can back down. The other two Prairie provinces feel the same way and producers are saying we're right in what we're doing".

In view of the stalemate, can the Deputy Prime Minister say how and when the money is going to be paid to these farmers facing serious financial crisis with seeding about to begin?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am indeed very encouraged by the fact that the government of Ontario, the Minister of Agriculture specifically, has made a commitment to work with us in terms of the program that was announced. It is encouraging to note that some $48 million was allocated to farmers to help offset the income deficiency of this particular year. Those discussions are ongoing at the present time between our officials to ensure that that program is executed.

• (1500)

The Government of Saskatchewan has to provide an interest rate relief program which will be eligible for matching funds. The Government of Manitoba is, I understand, prepared to do something in a similar vein. I will be meeting with the minister of agriculture and the provincial treasurer on Sunday to talk about details.

The Government of Alberta has announced a program specifically designed to alleviate the situation in the Peace River district. That program too will qualify for matching federal funds. Progress is being made, and as soon as we can identify the total package on the part of all the provinces, the matching funds will be forthcoming from the Government of Canada.

Mr. Maurice Foster (Algoma): Mr. Speaker, I have a supplementary question. The Deputy Prime Minister has outlined a scenario that should put the money from the federal government into the hands of farmers about July or August.

Can he tell us today where farmers are going to get the money to plant their crops, especially in the prairies and areas of Ontario. Where does he propose that they get the money? The banks are holding them up and not providing funds on the basis of equity anymore, it has to be on the basis of cash flow and many of these crops will not provide cash flow. Where does he propose that the farmers get the money for this planting?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the hon. member should not take issue with me or this government. Our money is on the table right now. There was $500 million made available at the end of March.

If he has any complaints he should get on the phone to the ministers of agriculture of Manitoba, Alberta and Saskatchewan and ask them where their share of the money is because when it's there, ours will be there. We're ready today to help the farmers. I am not sure why the hon. member would want to deprive the farmers of provincial contributions which would match our dollars and which would get more money into the hands of the farmers.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, it being Thursday, I would like to ask the Government House Leader if he could indicate to members the projected order of business for the coming days, Thursday and Friday and next week possibly.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): It is the intention today to start report stage of Bill C-15, the plant breeders' rights bill and to continue and hopefully to end debate on that tomorrow, Friday.

It would be our hope, and I think there is agreement of the other parties, that at the end of the day tomorrow, we might call for report stage of Bill C-43 in order to get the Chair's ruling on the amendments that have been filed. It would not be our intention to continue with any debate per se but merely to have the House informed of the amendments and their consideration and grouping by the Chair.

On Monday I would expect to resume second reading debate on Bill C-26, the At and East rate, hopefully to

complete second reading of that. Depending on further discussions, on Tuesday we might consider a possible return message to the other place in respect of Bill C-21. That will, of course, depend on the Chair's ruling on the point of order which the Chair, I understand, will be giving to us shortly.

Mr. Gauthier: Mr. Speaker, a short supplementary on a subject which is of interest to many members. It deals with the Deputy Speaker's position. As we know, we still have a Deputy Speaker, but it would be rather embarrassing for him to be sitting in that Chair since he is a minister of the Crown. I am just wondering if the government—and we would not accept that—had given some thought to following our Standing Orders, which call for an appointment forthwith. Can we expect an appointment to be made or consultations to be finished soon?

Mr. Andre: In such high esteem is the current occupant of the deputy speakership held that even though he now has cabinet responsibilities, there is a great reluctance to accept his resignation in order to propose his replacement. However, I understand that the discussions have advanced to some extent. If I may paraphrase all my predecessors—I stress, all my predecessors—in this position, we will be acting soon.

[*Translation*]

Mr. Speaker: I certainly hope so!

* * *

[*English*]

POINT OF ORDER

SENATE AMENDMENTS TO BILL C-21—SPEAKER'S RULING

Mr. Speaker: On April 3, 1990 the hon. government House leader rose to contest the acceptability of certain amendments set out in the Senate message respecting Bill C-21, an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act. He sought "the Chair's guidance in formulating a motion for a return message to the Senate," and asked the Chair "to rule that certain amendments contained in the message from the other place are out of order, because they differ in one way or another with the specific conditions laid out in the royal recommendation of Bill C-21, and because they infringe upon the financial initiative of the Crown." In his

reasoned and well-documented arguments, the hon. minister also claimed that the proposed amendments infringed upon the financial privileges of this House in that the Senate amendments "undermine in a significant way the budget of April 27, (1989) in which this House has expressed its confidence". He also claimed that the amendments violated the principle of the bill, that is to set up the unemployment insurance program, as an employer-employee finance program.

Following the hon. minister's intervention, we had, on April 3 and again on April 5, quite a full airing of this issue.

[*Translation*]

Perhaps it would be well to summarize briefly at this point the chronology of the proceedings to date on Bill C-21.

On April 27, 1989, the Minister of Finance tabled a document entitled "the Budget Speech" which at page 12 reads: "At the same time, changes will be made to ensure that the financing of the program is consistent with our efforts to control the debt. Beginning January 1, 1990, unemployment insurance paymens will be fully financed by employer and employee premiums". This budget was adopted by the House on May 11, 1989. Subsequently, on June 1, 1989, the bill entitled "An Act to Amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act" was introduced in this House and read a first time June 1, 1989. The bill was debated at second reading on June 6, 7 and 21, 1989. The debate at second reading was closured June 21, 1989 and the bill referred to a legislative committee.

• (1510)

[*English*]

The committee after travelling, hearing witnesses and considering the bill at length, reported it back to the House with amendments on October 10, 1989. The bill was considered at report stage on October 16, 1989. The time allocation motion covering both report stage and third reading was debated and agreed to on October 24, 1989. On October 25, the bill was again considered at report stage and concurred in with further amendments. It was debated at third reading on November 2, and after further debate on November 6, 1989 read a third time and passed.

Subsequently, it proceeded through the Senate and was there amended. The Senate sent a message to the House asking this House to agree to amendments it made to the bill. This first message from the Senate was considered on March 12 and March 13. Debate on the motion of the Minister of State and the Leader of the Government in the House of Commons in relation to the Senate amendments was closured and the motion concurred in on March 13, 1990. Therefore, on March 13, this House sent a message back to the Senate setting out its agreement with some of the amendments and its rejection of others. This occasioned a second message from the Senate which is recorded in our *Votes and Proceedings* of March 20, 1990.

In this second message the Senate informed the House of Commons of its concurrence in the amendments made by the House to amendments Nos. 1, 4(b) and its insistence upon its amendments 2(a), (b) and (c); 3(a) and (b); 4(c) and (d); 5(a) and (b); 6, 7, 8 and 9.

Finally, in the third message on March 21, 1990, the Senate set out the observations—and I underline that word—contained in the fourth report of the Special Committee of the Senate on Bill C-21. That is the position the House was in when the government House leader rose on April 3 to ask the Chair "to rule that amendments 5(a)and (b), 7 and 9 in the message from the other place are out of order because they differ in one way or another with the specific conditions laid out in the royal recommendation of Bill C-21, and because they infringe upon the financial initiative of the Crown".

I want, of course, to thank all hon. members who assisted the Chair by participating in the discussions of this complex matter on April 3 and April 5. In the interests of both gravity and clarity I will summarize and marshall the several arguments into two categories.

All the arguments advanced dealt either with the substantive question of whether the Senate is entitled to amend Bill C-21 as it did or they questioned the process by which the Senate amendments were being challenged.

[*Translation*]

I must express my gratitude to the Hon. Minister for indicating when he rose on this issue that he did not expect an immediate reply. As the minister and the parliamentary secretary both pointed out, our relationship to the other House is a most fundamental one which goes back to the beginnings of parliamentary democracy.

I would not want to render a decision touching on such momentous matters in haste. Thus, I reiterate my thanks to all members for allowing me some time and distance to sort out the threads of argument advanced and to formulate a considered response.

During the course of the argument, the Chair attempted to direct the hon. member by stating its understanding of the substantive issue and I think that may bear repeating.

[*English*]

What we have here is a bill based upon the budgetary policy of the government, as approved by the House of Commons, which amends existing legislation, that being the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act. The bill proposes in part to eliminate funding from the treasury of Canada to the unemployment insurance account and to make that account a self-sufficient fund by means of contributions paid directly by the employers and employees. That is a somewhat simplistic explanation of the bill that was passed by this House. Now the Senate has made amendments to this proposal.

The Senate has returned with the proposal that some of the funding which this House agreed to eliminate should be restored. According to the government House leader the Senate amendments would cost the Consolidated Revenue Fund $1.75 billion annually. The question is this: is it proper for the Senate to restore a charge which this House has taken away? The question arises because of two fundamental principles. These are that, first, bills for the spending of public moneys must originate in the House of Commons, as stated in Section 53 of the Constitution Act of 1867; and, second, such bills must be recommended by a message from the Governor General which can only be obtained and presented in the House of Commons by a minister of the Crown. This is called a royal recommendation. The foregoing is also a very basic explanation of the substantive matter that has been preoccupying the Chair.

[*Translation*]

In addressing this substantive issue, the Hon. Members for Ottawa–Vanier, (Mr. Gauthier), for Glengarry–Prescott–Russell (Mr. Boudria) and for Kinsgston and the Islands (Mr. Milliken) all questioned the necessity for a royal recommendation in respect of Bill C–21, contested the argument that the Senate had no right to amend a bill of this nature and insisted that since the amendments made to the bill reduced existing charges provided for in the existing statute, they in no way infringed upon the financial initiative of the Crown. The hon. member for Saskatoon–Clark's Crossing (Mr. Axworthy) also supported the latter contention.

[*English*]

I should now like to turn to the second group of arguments, those that question the process by which the Senate amendments are being challenged. In doing so at this point, I want to emphasize that in the Chair's view these present a threshold which must be crossed before we can proceed to further consideration of the substantive issues.

I would include in this category a number of inter–related arguments. The hon. member for Ottawa—Vanier, the hon. member for Kamloops and the hon. member for Saskatoon—Clark's Crossing, all pointed out that the Chair ought not to rule on legal or constitutional issues. In addition, they argued strenuously, as did the hon. member for Kingston and the Islands, that, if the proposed Senate amendments were not in order, they should have been challenged on the first occasion when they were before the House, that is, on March 12 and 13 last, when the House first considered a return message to the other place.

The other place, for the public who is watching, means the Senate. These are words that we use to refer to the Senate; we call it the other place.

Having already made a decision to accept some of the Senate amendments and to reject others, and having so reported to the Senate, this line of argument continues. It is not now open to the House to reopen consideration as to the acceptability of the amendments. Corollary issues as to the purpose of asking the Chair to rule on the Senate amendments and the consequences of the Speaker of the House of Commons ruling a message from the other place out of order were also advanced.

My initial reaction, as a presiding officer, was that, if the acceptability of amendments made to a bill in this House were in question, then, of course, the Chair must make a determination as to the admissibility of the amendments at issue. That is the customary role for the presiding officer to play. It is the duty of the Chair to rule on amendments at each stage of a bill's passage through the House. Accordingly, my first reaction was to assess the receivability of the questioned amendments. However, as I explained, the Chair must take into account not only the fact that amendments to the bill are called into question, but at what stage they are questioned.

In fact, the House has already pronounced itself on the very amendments the government House leader invited me to rule on and the hon. member for Ottawa—Vanier has complained that it is too late for the Chair to now rule on their acceptability. It must be noted that the Senate, in its message of March 20, 1990, has insisted on amendments 5(a) and (b), 7, and 9. There is no doubt that the amendments are now, again, before the House for consideration and could be adopted if the House so wished.

It can be argued that the hon. government House leader should have raised his points on March 12 or March 13 last, but I see no reason to prevent his raising the matter at this stage, since the Senate message has returned those very amendments for reconsideration by the House. If those Senate amendments can be further amended, adopted or disagreed with, as Beauchesne's, fourth edition, citation 282 suggests, then logically they would also be subject to procedural challenge.

Therefore, the Chair rules that the intervention of the minister is valid at this time and I will attempt to reply to the various points raised in that regard.

[*Translation*]

The Hon. Government House Leader said he was encouraged by the decision of the Chair of July 11, 1988 on Bill C–103, the Atlantic Canada Opportunities Agency Bill, and I should like to turn for a moment to that decision.

In that instance, the Senate had split a bill the House had passed and had reported only a portion of it back to the House. It was the unilateral action of the Senate in that matter that I found objectionable and I said, in part:

[*English*]

There is some considerable doubt, at least in my mind, that the Senate can rewrite or redraft Bills originating in the Commons, potentially so as to change their principle as adopted by the House without again first seeking the agreement of the House. That I view as a matter of privilege and not a matter related to the Constitution.

In the case of Bill C-103, it is my opinion, and with the great respect of course—

• (1520)

I am quoting now from a former judgment.

—that the Senate should have respected the propriety of asking the House of Commons to concur in its action of dividing Bill C-103 and in reporting only part of the bill back as a *fait accompli* has infringed the privileges of this place.

I went on to say:

I have ruled that the privileges of the House have been infringed. However, and it is important to understand this, I am without the power to enforce them directly. I cannot rule the Message from the Senate out of order for that would leave Bill C-103 in limbo. In other words, it would be nowhere. The cure in this case is for the House to claim its privileges or to forgo them if it so wishes, by way of message to Their Honours, that is, to the Senate, informing them accordingly.

I hasten to add, however, that I also said at that time that:

—the Speaker of the House of Commons by tradition does not rule on constitutional matters. It is not for me to decide whether the Senate has the constitutional power to do what it has done with Bill C-103.

Later, having noted that Bill C-103 was a financial bill and that the Senate is somewhat limited in its review of money bills, I specifically declined to answer such constitutional questions as whether the royal recommendation still applied to the split bill and whether the financial privileges of the Commons had been breached. In so ruling, I relied heavily on actions of two of my predecessors in the Chair.

My research indicates several occasions since Confederation when the Senate amended Commons' bills with financial implications. For example, messages were received by the House on May 23, 1873, May 23, 1874, September 15, 1917, May 23, 1918, June 11, 1941, and July, 14, 1959. A close examination of these six cases reveals that the House agreed with the Senate amendments in all but two of these instances. In 1873, the House disagreed with all the amendments and, in 1959, it agreed to one and disagreed with another. What is interesting to note from a procedural point of view is that the Speaker was only required to comment on two of the occasions, namely in the 1917 and 1959 cases.

In the first instance on September 15, 1917 the Speaker replied to two points of order, one regarding the authority of the Senate to amend a money bill and another regarding the obligation of the House to insist on its privileges and reject the amendment. On the first issue, the Speaker stated, and I quote:

—the question whether the Senate can make such amendments as has been made in the Bill now under consideration is a point of constitutional law in respect to which it would, I think, be improper for me to give an official decision. Matters of such high constitutional import are for the House and not for your Speaker to determine.

On the second issue, he stated:

—there is nothing contained in—our rules which prevents this House from adopting as its own, amendments such as this now under consideration—in my judgment the principle involved as to the authority of this House to waive under stated conditions its rights and privileges is the same.

In short, my predecessors many years ago refused become involved in a constitutional issue which should be settled by negotiation between the House and the Senate, and further ruled that nothing should prevent the House from waiving its financial rights and adopting the Senate amendment as though it were its own. I say that is an option always to the House.

The second case further clarifies the situation and emphasizes the fine line between the constitutional and procedural issues. After the government moved concurrence on certain Senate amendments on July 14, 1959, the Speaker drew the attention of the House to the procedural difficulties with a motion before the House to concur in a Senate amendment and to waive the House's rights, that is, the House of Commons' rights. The Speaker, in 1959, ruled, and I quote:

—if the House in its wisdom feels that—it should waive its asserted privileges in this particular case, by doing so it in effect suspends Standing Order 80(1). Therefore the view which I take is that unless the motion properly suspends Standing Order 80(1), it would require the unanimous consent of the House at this time to pass the amendments which are proposed—I have come to the conclusion that the motion—would require notice. That is why I said Standing Orders can only be suspended by an Order of the House made on proper notice or by unanimous consent.

[*Translation*]

In the 1959 case, unanimous consent was withheld and four days later the government introduced another motion, with notice to concur in some amendments

while rejecting others. This motion made reference to "the sole and undoubted right of the Commons to impose taxation" and was agreed to by the House.

[*English*]

The 1917 and 1959 cases clearly illustrate the long-standing principle that the Speaker should not become involved in constitutional issues regarding the authority of the Senate to amend money bills, but may only bring procedural irregularities affecting Standing Order 80(1) to the attention of the House in order that it can safeguard its own constitutional financial prerogatives.

I would now turn to the specifics of the case before us. In looking closely at the amendments of the Senate to Bill C–21, I must admit that on the question of the principle of the bill, the hon. minister has raised an extremely valid issue. There is no doubt in my mind that the Senate by way of amendment is modifying the principle of the bill, something which would certainly not be allowed at committee stage in this House. If the Senate amendments were adopted, the government will clearly continue to support financially the unemployment insurance account as was stated by the minister. That would run contrary to the approved budgetary policy of the government and contrary to the principle of the bill as adopted by the House of Commons.

However, for the same reasons referred to earlier in my ruling of July, 1988, the Speaker of the House of Commons cannot unilaterally rule out of order amendments from the other place. I can comment, as I am doing, but the House as a whole must ultimately make the decision to accept or reject amendments from the Senate, whether they be in order according to our rules or not.

As I have said, it is also clear from the review of the amendments of the Senate, which can be found in the *Votes and Proceedings* of March 21, 1990, that there will be continuing charges to the Consolidated Revenue Fund if Bill C–21 is so amended. It is perhaps less clear that there will be an increased charge over and above that which is presently lawfully provided for in the Unemployment Insurance Act itself.

I point out that the Unemployment Insurance Act was passed many, many years ago and has been amended many, many times. So, Bill C–21 is an amendment to that act.

It would certainly be permissible in this House to restore in an amending bill charges already provided for in existing legislation. For guidance on that point, I refer hon. members to Erskine May's *Parliamentary Practice*, 21st edition, page 716, and I quote:

> The same principle applies in the case of amendments moved to a bill which abolishes or reduces a charge authorized by existing law. Amendments to such a bill, which are designed to restore a portion or the whole of the charge which the bill proposes to reduce or abolish, are in order without the need of a preliminary financial resolution.

As the hon. Parliamentary Secretary to the Government House Leader stated, that citation applies to the British House of Commons. But Erskine May is silent on what the Lords may do. Again, I have to say that it is not within my power to rule on whether the Canadian Senate should have the constitutional right to restore charges when the Commons have decided otherwise. As the hon. minister said at page 10144 of *Hansard* of April 5, 1990: "It is up to the House of Commons to defend our responsibilities and our authorities".

Having addressed the amount and limits of the charges, the Chair has however some concern in the area of conditions and qualifications, objects and purposes.

• (1530)

I should remind hon. members that citation 540 of Beauchesne's Fifth Edition, states:

> In relation to the standard thereby fixed, an amendment infringes the financial initiative of the Crown not only if it increases the amount but also if it extends the objects and purposes, or relaxes the conditions and qualifications expressed in the communication by which the Crown has demanded or recommended a charge. And this standard is binding not only on private Members but also on Ministers whose only advantage is that, as advisors of the Crown, they can present new or supplementary estimates or secure the Royal Recommendation to new or supplementary resolutions.

If reviewed against this citation, the Senate amendments seem to have some impact on the royal recommendation, the extent of which is difficult to determine. Thus, for greater certainty the House might want to draw this to the attention of the Senate, even if the House were to choose to waive its financial prerogatives,

pursuant to Beauchesne's fifth edition, citation 115, which reads:

> It is the function of the Speaker to direct the attention of the House, when the occasion arises, to a breach of its privileges in bills or amendments brought from the Senate, and to direct the special entries to be made in the *Journals* by which the House, in respect of particular amendments, signifies its willingness to waive its privileges without thereby establishing a general precedent.

The hon. government House leader further claimed that the Senate has interfered with the budgetary process of the government, as approved by the House of Commons. He said: "To tamper with that, or to reverse that somehow in another place, is to tamper with the very fundamental purposes and powers of this body," meaning the House of Commons.

The hon. government House leader has found support at pages 339 and 340 of a book entitled *Modern Senate of Canada*, which was published in 1965. The author's name is Mr. F.A. Kunz. He says:

> On the contrary, the Senate has acted in full understanding of the meaning and the implications of responsible government and accepted as binding upon itself the proposition that it should not unduly disturb what has come to be called the "balance of ways and means" or, as Hopkins says, "that it would be inadmissible to tamper with the overall financial program submitted by the government in its budgetary proposals in such a way as to effect a material change in the budgetary surplus or deficit envisaged therein.

I repeat: "in its budgetary proposals in such a way as to effect a material change in the budgetary surplus or deficit envisaged therein." As I have already noted, the hon. government House leader has said that the amount involved is $1.75 billion annually.

That comment by Kunz is based on an article by an author named E. Russell Hopkins, who is a former law clerk and parliamentary counsel to the Senate of Canada.

At pages 321 and 322 of the *Canadian Tax Journals* Volume 6, September/October 1958, Hopkins comments on Section 53 of the Canadian Constitution. He says:

> Section 53 of the Act provides that bills for appropriating any part of the public revenue, or for imposing any tax or impost, shall originate in the Commons." This clearly means that all taxation or appropriation bills must originate in the House of Commons. It is universally understood that it would be a violation of the principle embodied in this provision for the Senate to propose amendments which would increase a tax or appropriation proposed by the House of Commons.

I have a duty to comment, but I can only ask: "What would the learned author say if the words that I just read 'increase a tax or appropriation' were substituted or added to by the words 'an increase in the budgetary deficit'?" I bring this query to the attention of the House, and to the public who ultimately pay all the bills.

Hopkins went on to say:

> The question whether the Senate should or should not amend a money bill in such a way as to disturb the balance of ways and means in any fiscal year is one of policy rather than of law: that is, it is a question for the Senate itself to determine in all the circumstances. The Senate may of course reject a money bill absolutely, and, in its view, may reduce a tax or appropriation.

He went on to say:

> In either of these events the balance of the ways and means would be upset.

What Hopkins has concluded is that interventions by the Senate in money bills inevitably will change the budgetary and spending plans of the government.

I may say to hon. members and to the public that is listening, there are many Canadians across this country who may or may not have been well educated and some who think that they were well educated, who have no idea whatsoever of the awesome powers which the Senate claims to itself over the elected lower House. That is one of the reasons why it is important that hon. members listen carefully to this judgment because there is information here which many Canadians are just absolutely unaware of.

In attempting to shed light on this situation, I have looked at the British practice and I have found the following at pages 518 and 519 of Erskine May's twelfth edition. I am going to quote quite a bit of it because it is time this country got a history lesson. I am quoting from Erskine May. This is in Great Britain.

> In 1909 the Finance Bill which gave effect to the budget of the year was met on its second reading in the House of Lords by an amendment declaring—

And I quote the amendment. This is the amendment by the House of Lords, which is their upper House.

> —"That this House is not justified in giving its consent to this bill, until it has been submitted to the judgment of the country". The rejection of the bill by the Lords was condemned in the House of Commons by a resolution declaring "that the action of the House of Lords in refusing to pass into law the provisions made by the House of Commons for the finances of the year is a breach of the

constitution, and an ursurpation of the privileges of the House of Commons".

Note that that statement was made by the House, not by the Speaker, but by the House of Commons of Great Britain.

A dissolution of Parliament followed,—

Which is a polite way of saying that an election followed.

—and in the new Parliament a Finance Bill to take the place of that rejected by the Lords was passed by both houses.

Now there are a lot of historical and very interesting things that happened that led to the House of Lords finally passing that.

The House of Commons also agreed to three resolutions in a committee of the whole house dealing with relations between the two houses and the duration of Parliament, as follows:

First of all, on money bills—that is what we are talking about here—that British House of Commons resolution said this:

"That it is expedient that the House of Lords be disabled by Law from rejecting or amending a Money Bill, but that any such limitation by Law shall not be taken to diminish or qualify the existing rights and privileges of the House of Commons.

"For the purposes of this resolution a Bill shall be considered a Money Bill if, in the opinion of the Speaker, it contains only provisions dealing with all or any of the following subjects, namely, the imposition, repeal, remission, alteration, or regulation of taxation; charges on the Consolidated Fund or the provision of money by Parliament; supply; the appropriation, control, or regulation of public money; the raising or guarantee of any loan or the repayment thereof; or matters incidental to those subjects or any of them".

The House of Commons resolution went on to deal with Bills other than Money Bills.

"That it is expedient that the powers of the House of Lords, as respects Bills other than money Bills be restricted by Law, so that any such Bill which has passed the House of Commons in three successive Sessions and, having been sent up to the House of Lords at least one month before the end of the Session, has been rejected by that House in each of those Sessions, shall become Law without the consent of the House of Lords on the Royal Assent being declared: Provided that at least two years shall have elapsed between the date of the first introduction of the Bill in the House of Commons and the date on which it passes the House of Commons for the third time.

"For the purposes of this Resolution a Bill shall be treated as rejected by the House of Lords if it has not been passed by the House of Lords either without Amendment or with such Amendments only as may be agreed upon by both Houses".

It went on to say other things with respect to the duration of Parliament.

"That it is expedient to limit the duration of parliament to five years".

Upon these resolutions when agreed to by the house a bill was brought in but further progress was not made with it. In the first session of the new Parliament which met in the following year the bill was again introduced, was passed by both houses, and received the royal assent as the Parliament Act, 1911.

• (1540)

It is important for every Canadian who cares about who decides how we spend our money to know that in Great Britain they settled this 80 years ago.

[*Translation*]

The British Parliament apparently resolved their problem some 80 years ago with the House of Lords recognizing in law the claim of the House of Commons as the final authority on money bills. Such is not the case in Canada. The Senate has consistently refused to concede the power to amend money bills. I would refer hon. members to the Ross report which was tabled in the Senate of Canada on May 15, 1918 and subsequently adopted by the Upper House, rejecting the House of Commons' position on the constitution. At page 199 of the Senate Votes and Proceedings for May 15, 1918, the Ross report states:

[*English*]

When the House of Commons of Canada claims that it can drag the Senate beneath it as the Commons did the House of Lords in England and through the "swamping power"—

Meaning there the addition of lords to the Upper House.

—the answer is that it—

That is the House of Commons of Canada.

—has not got this power and is as much bound by the British North America Act as the Senate. We have a Constitution that can only be altered by the Imperial Parliament. The House of Commons cannot by passing rules add to its powers or diminish those of the Senate.

That was the last Senate report of a Senate committee in 1918.

Therein lies the Canadian constitutional dilemma! Should the Senate choose to further insist on its amendments, the two Houses may well be unable to resolve

their differences and be faced with a serious constitutional crisis. The strength of our parliamentary system lies in all three constituent parts that is: the Crown, the Senate,and the House of Commons respecting their constitutional roles.

The events in the United Kingdom at the beginning of the 20th century do not provide the Speaker of this House with any procedural solution to this particular conflict. Because of the Canadian parliamentary practice, the Speaker of the House of Commons is powerless when an impasse develops around this long unresolved constitutional issue which is now exacerbated by a deep difference of opinion on matters of public policy.

I want to refer hon. members to two matters. I do this as lawyers say, *obiter dictum*. That perhaps is part of the substandard ruling. But there is an interesting, curious book called *A Student's Manual of English Constitutional History* by a master of arts named Dudley Julius Medley, tutor of Keble College, Oxford, and examiner in the honour school of modern history. It was published in 1898. He was talking, of course, before the British—if I could be permitted to say this—came to their senses.

> This vast increase in membership (of the House of Lords) has almost of necessity resulted in a weakening of the sense of political responsibility in individual members of the House of Lords, while the completion of the representative character of the House of Commons has made the body of the electorate increasingly impatient of any check by the hereditary House. Those who do not believe in constitutional cataclysms cling to the necessity of a second chamber.

I also draw to the attention of my colleagues—I know they will be very interested—on both sides of the House to hear the comments by Sir Wilfrid Laurier on September 7, 1917. As I say, this is not put in as the substance of the ruling. It is just brought to members' attention, and I hope the attention of every Canadian who has a chance to listen or read this judgment. This is what Sir Wilfrid Laurier said on September 7, 1917.

This was his view. He was a great House of Commons man: "Under Rule 78, the Senate has no right to amend or alter in any way a money bill sent to them from this House". Rule 78 is the same as our Rule 80 paragraph 1.

He said: "This House alone has the privilege of dealing with money bills. The only right the Senate has is that of rejecting or assenting to such money bills. That rule has been confirmed over and over again in England".

Now, I point those two interesting comments out to hon. members because there is a long history in this. There have been strong views on both sides of this Chamber over the years as to what the Constitution does say, and what the Constitution ought to say in terms of our country, and the powers of our House of Commons of Canada.

[*Translation*]

I want to thank the House for its indulgence and its patience in listening so carefully to this lengthy explanation. This ruling has not been an easy one for we are here dealing with a fundamental issue which goes to the very heart of the Canadian Parliamentary process. May I close by saying I am extremely grateful to the members who made such useful contributions to assist the Chair in its consideration of this issue.

[*English*]

To say anything further, despite the fact that I am the Speaker of the House of Commons, would be trespassing upon what I am called upon to do, and that is to rule on procedural matters.

What I may think about the constitutional impasse which we have in this country, is not for me to say. If any of my colleagues or the public want to speculate on what I think, of course, that is their free and democratic privilege.

* * *

[*Translation*]

POINT OF ORDER

OFFICIAL REPORT OF THE DEBATES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to raise a point of order with respect to *Hansard* for April 25, It concerns the exchange I had with the Minister of the Environment about the school system in Saskatchewan and plans for reorganizing control and management in that system. I think everyone in the House is aware of what is involved, but I simply wish to point out that a number of terms used yesterday in the House and reported in *Hansard* were corrected by someone, I don't know who, and they do not faithfully report what the minister said in the House and are actually misleading. I could give you a list of the

people who called me today to ask me to have this changed, because they heard the minister when he was speaking, and this is not what he said.

So I imagine the editor of the French text must have changed, on page 10650, what the minister said. I will read the words the minister used here in the House, and this is what he said:

> Dès aujourd'hui, le mouvement qui représente les Fransaskois a émis un communiqué—

In *Hansard* at page 10650, we read:

> Dès aujourd'hui, la Commission nationale des parents francophones a émis un communiqué—

That is not the same thing, Mr. Speaker. The Fransaskois were here during Question Period, they heard the minister, and that is not what he said, because the Commission nationale des parents francophones is from Manitoba. I believe the minister will agree these are not one and the same group.

On the same page, this time in the English version, the English editor incorporated the change, but I think this may have been done without realizing what was involved. The minister—

[*English*]

In answer to a question that I put to the Minister on the same subject, and I quote from the transcript of yesterday's *Hansard* he said:

> I would remind my hon. colleagues from the other side of the House that today the Fransaskois themselves have issued a communiqué recognizing leadership.

Mr. Speaker, that could not have been correct, because they were in the gallery and they had not issued any communiqué to that effect. Indeed, the people who did issue a communiqué were *la commission nationale des parents francophones*, which are an entirely different group from Manitoba. I would hope that you would have a chance to review the *Hansard* and change that so there will be no confusion in history.

• (1550)

[*Translation*]

Mr. Speaker: I want to thank the hon. member for Ottawa—Vanier for his comments. This is a very important matter. I promise to check *Hansard* and make the necessary changes, as appropriate. I want to thank the hon. member for bringing this up.

We shall now proceed with Government Orders.

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

Mr. Speaker: The hon. member for Ottawa—Vanier, on a point of order.

Mr. Gauthier: Mr. Speaker, because of the procedural issues, which meant we were unable to revert to Routine Proceedings until the very end, and since I know you have before you my letter requesting an emergency debate on schools in Saskatchewan, I wonder whether, with unanimous consent, we could have a decision by the House today, so that we will know whether or not there will be a debate on this matter.

[*English*]

Mr. Speaker: The hon. member did bring to me an application for an emergency debate on the Saskatchewan French school situation and what the hon. member has asked is if there is consent for me to accept his application at this time?

Mr. Andre: Mr. Speaker, I would certainly have no objections to your ruling on this particular application. It was not the hon. member who caused Routine Proceedings to be missed this day. I would hope I am not giving consent to going back through all of Routine Proceedings.

[*Translation*]

Mr. Speaker: Shall the hon. member have leave to introduce his motion?

Some hon. members: Agreed.

Mr. Gauthier: I want to thank the House for its courtesy. I am waiting for a copy of the letter I sent to the Chair. Here it is.

ROUTINE PROCEEDINGS

[*Translation*]

MOTION TO ADJOURN UNDER S.O. 52

CONTROL AND MANAGEMENT OF FRANCOPHONE MINORITY SCHOOLS IN SASKATCHEWAN

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, pursuant to Standing Order 52, I wish to ask your permission to move that the House adjourn to discuss a specific important matter that must be considered urgently, namely the Saskatchewan government's decision to suspend the federal-provincial agreement

allocating $26 million over 10 years to establish a system of schools controlled and managed by the francophone minority in that province.

The text is clear. I submit this request to the Chair.

SPEAKER'S RULING

Mr. Speaker: I thank the hon. member for Ottawa—Vanier. Clearly, this is a very important subject, but I think that, in the circumstances, there will probably be other opportunities to raise the matter in the House of Commons. Therefore, it is not appropriate at this time, but may be later.

GOVERNMENT ORDERS

[*English*]

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C–15, an act respecting plant breeders' rights, as reported (with amendments) from a legislative committee.

SPEAKER'S RULING

The Acting Speaker (Mr. Paproski): There are nine motions in amendment set down on the motion paper for the report stage of Bill C–15, an act respecting plant breeders' rights.

Motion No. 1 standing in the name of the hon. member for Mackenzie and Motion No. 3 standing in the name of the hon. member for Algoma are in order and will be grouped for debate, but voted on separately.

Motions Nos. 2, 6, 7, and 8 in the name of the hon. member for Algoma are identical to the motions that were moved, debated, and negatived in the legislative committee. For this reason these motions will not be selected.

Motions Nos. 4, 5, and 9 in the name of the hon. member for Algoma are in order.

Motions Nos. 4 and 5 will be grouped for debate, but voted on separately.

Motion No. 9 will be debated and voted on separately. Therefore Motions Nos. 1 and 3 will now be proposed to the House.

MEASURE TO ENACT

Mr. Vic Althouse (Mackenzie) moved:

Motion No. 1

That Bill C–15 be amended in Clause 4 by striking out lines 21 and 22 at page 4 and substituting the following therefor:

"ties belonging to prescribed categories but shall not include categories of cereals or vegetables whose contribution to the nutritional diet is commonly recognized and deemed to be nutritionally significant and found, pursuant to subsection 27(1), to be".

Mr. Maurice Foster (Algoma) moved:

Motion No. 3

That Bill C–15 be amended in Clause 32 by adding immediately after line 41 at page 18 the following:

"(3) Notwithstanding subsections (1) and (2) the Commissioner shall, after the expiration of a period of seven years from the granting of a plant breeder's rights respecting cereal grains, oil seeds or pulse crops, on application by any person, confer on the person in the form of a compulsory licence that is not subject to the payment of any royalty or other remuneration rights to do any thing regarding the cereal grains, oil seeds or pulse crops that the holder might authorize another person to do pursuant to paragraph 5(1)(d)."

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Mackenzie.

Mr. Althouse: Mr. Speaker, beginning the report stage to Bill C–15, I want to say at the outset that these days all government bills are deemed to be urgent and most of them attract a closure clause within a few minutes or hours of debate.

That is not the reason for putting this amendment forward. I note that I have proposed on behalf of my party one amendment. I think this one amendment is a big compromise from our position and I am hoping that the government will see that this particular amendment has some merit given the limited response that we had from the public during the course of the legislative committee hearings.

During that period of time we found that there was some pressure for plant breeders' rights legislation from those groups and individuals that were producing ornamentals, flowers, shrubs and so on. They have been arguing for such legislation for a long time. But we did not receive very much pressure, if any, from the people who are developing plant varieties that would be used for food, forage and pharmaceutical use. I think that the

case was not made well for plant breeders' rights for any of the crops, but if it was made at all, it was to facilitate trade in the ornamentals.

The purpose of this particular motion is to limit the application of the bill to those kinds of plants and prohibit the use of plant breeders' rights for that type of production that would be used to produce food.

I want to review the basic problems that I have with plant breeders' rights. I think it is unnecessary control of genetic material. There will be a lot of problems with the concept behind plant breeders' rights, that we should have private ownership of life-sustaining material, whether it is plant genetic material or other genetic material. I question whether the House and the committee have done any work to determine whether in fact that is a proper use of the private propriety concept in our world.

I point out to the House that the last time that this question was dealt with in depth was by a royal commission in the late 1950s which recommended against the use of the Patent Act or any form of plant breeders' rights. The legislative committee that this bill was sent to chose, and perhaps it was mandated, to limit itself to only looking at the very narrow legislation itself. It did not choose to call people who had a broader view of life. It did not do the kind of job that a royal commission could do.

I think that the House would be well disposed to accept this amendment. If the government wishes to go beyond this amount of patenting of life forms it should do so only after having resorted to a full public inquiry of the type that a royal commission can conduct. There are a lot of questions about who should own life or whether life can be owned by individuals.

• (1600)

This particular bill does change the assumptions dramatically. It is as big a change as the technical and legal changes that occurred back in the Middle Ages when the western European countries began the process of colonialization and used their system of establishing sovereignty over lands that they discovered, regardless of whether there were societies situated on those newly discovered lands or not. The Europeans simply established their sovereignty and power and colonized those nations.

That is essentially what we are permitting large corporate plant breeding operations to do with this particular bill. I recognize it parallels legislation that is in some other so-called western countries, but that does not necessarily make it right.

The whole system of colonialization was not fair, nor was it a proper or equitable distribution of power. I do not think that this particular effort to install plant patenting is either.

In the process of looking further afield at the effects of this legislation, I think that a royal commission or a public inquiry should hear from some of the people that we are aware of who are not anxious to have a regime of plant breeders' rights in our country.

A great many of the public plant breeders who privately do not think this is a good idea, but because they are public servants did not come forward to legislative committee hearings should be heard. So should the many farmers and farm groups who think this is a backward step, this business of privatizing genetic material that is often received for nothing from the Third World or the developing world.

They should hear from the environmental and scientific communities who can give us further insight into what this particular move does to our environment and to the future of civilization on this planet.

We should listen to the church and foreign aid groups who wanted to be heard, but very few got the opportunity to make even a brief presentation to the legislative committee.

We should listen as well to Third World development experts who realize that most of the plant genetic resources of our world are found naturally in the Third World. With plant breeders' rights legislation, more developed western countries can go and pick up that genetic material, sometimes licensing it directly, other times through process and manipulation, utilizing the material to produce a new form of material based on it. Yet the donor countries receive no benefit from the use of their resources.

Last, a public inquiry should listen to people who are concerned about ethics and the morality of patenting life forms. This is not just a simple piece of legislation that copies a handful or two of European and American legislation. This is a very fundamental question. We are making a change in the direction of what is, and is not, patentable.

The kind of questions we are being asked about this bill were raised publicly, but they did not get a proper airing in the legislative committee. I submit that the legislative committee is not structured for that kind of thing. It should have been a full public hearing under the aegis of a full royal commission.

In the interest of time, I am recommending that the House consider this resolution positively, that it accept this resolution, this amendment to Bill C–15, which would permit some experimentation with the idea of plant breeders' rights for ornamental plants only. We can then discover whether there are any advantages, economic or otherwise. In the course of doing that sort of an experiment, we will avoid creating difficulty and hardship, both economic and social for those people who depend on plant breeding as a source of nutrition for their very lives.

Mr. Maurice Foster (Algoma): Mr. Speaker, the motion standing in my name today, Motion No. 3, provides for compulsory licensing and I want to address that matter. Before I do that, I would like to say that this bill received considerable study in committee, however, we did not hear as many witnesses as we would have liked.

I think that the members who served on that committee came out knowing a lot more about the question of plant breeders' rights than when they went into it, because it is an intensely complicated topic. There are new developments every day in the whole field of biotechnology and, for a group of laymen, I think it is a bit mind boggling, but I believe that the committee members learned a great deal. I think that it was useful. We had people from international development groups, representatives from churches and from universities, from research laboratories, from government laboratories, and from farm organizations, a very broad range of people.

This bill, although it is often dealt with as an agriculture bill, has concerns and interests well beyond that. I think the members of our caucus have, in our second reading debate, expressed the concerns of many of the farm groups right across the country. The Canadian Federation of Agriculture, the Ontario Federation and other groups across the country are vitally concerned with agriculture and with development in this country.

We think that the bill can make a positive contribution to plant breeding and research in this country. If you look at the situation now, especially with major crops such as cereal grains, most of the research is being done by the federal government. I hope that this legislation, when it is passed and is in operation, not only will continue to support and expand that research which is being done by the federal government laboratories, provincial laboratories and university laboratories, but, as well, will expand the research in the private sector, because it is a very important field, a field in which we want to see research take place. We have had mechanisms in this country to support plant breeders, through organizations like SeCan, which has been able to provide an incentive to the research organizations, especially those at universities and government laboratories.

We have many plant breeders' groups who produce hybrid varieties, especially in cereal grains like corn and, because of the hybridization, are able to get paid for their research, but we have not had a codified law like this plant breeders' rights to provide for that incentive to plant breeders. We have a commitment from the Minister of Agriculture that, in the long run, the government would look at increasing the percentage of research dollars which come back to Department of Agriculture from 60 per cent, which it is today, to 100 per cent of the royalties which are realized.

• (1610)

Some royalties have been realized on the current SeCan arrangement and there will be more. I think the minister and the department estimated something like $4 million would be realized per year in the long run with the bill in place. This will codify the arrangements which have taken place through SeCan and through the use of hybrid varieties.

This bill was strengthened considerably in committee by a number of amendments. For instance the complaint that we received from the Canadian Federation of Agriculture and other groups was that an advisory committee was not mandated with great enough reponsibilities. It wanted more input from farm groups and others of a public interest nature on that advisory committee.

It has been strengthened in that the advisory committee will now assist the commissioner of plant breeders' rights in the manner in which the act is applied in providing licensing. It will also have a responsibility to assist the commissioner in the requirements relating to licensing of plant breeders' rights, to advise the commissioner of the plant breeders' interpretation of "reasonable price" and other key sentences in the law itself, such as "widely distributed" and "reasonable remuneration", because these are key points.

For example, we should not put in place a regime that allows a multinational corporation to charge unreasonable prices for their seed, whether it is wheat, barely, corn or whatever. Certainly that is not in the public interest. If they do not provide enough to the marketplace that prices are driven up higher, that is not in the public interest. If they charge an unreasonable remuneration, that is not in the public interest.

So, the advisory committee has been mandated to provide assistance to the commissioner in deciding on the interpretation of those particular issues. Beyond that, we put in place an amendment at the committee stage which will provide for those powers to be defined under the regulations and provided for an annual report for the commissioner of plant breeders and the operation of the act.

Those provisions are in there and the commissioner has the power to give a compulsory licence to people if an individual plant breeder is charging an excessive or unreasonable amount in royalty for the seed or plant.

In spite of that, I think there is concern for cereal grains which provide the daily bread for Canadians. Even though those powers are there, there is a feeling that perhaps we should only provide for plant breeders' rights for cereal grains, oil seeds, pulse crops, and so on, for a seven-year period. Generally speaking, that is about the life of most cereal grains as there is usually a better variety which comes on stream.

That is why I put Motion No. 3. Even though there are safeguards, I think this is a new departure, a new regime and a new provision. Unfortunately, the companion Motion No. 7 was ruled out of order because it was put in committee as well. That motion provided for a parliamentary review after seven years. That companion provision cannot be put this afternoon.

I put this motion because I think there are certain people in the industry, certainly people in the farm groups in some areas of the country, who feel that a seven-year plant breeders' rights would be adequate, and would provide a certainty that the plant breeders' rights, or the royalty régime, would not go on over a long period of time. That is why I am putting this Motion No. 3. I think it provides an additional safeguard, even though there is provision for the Commissioner to mandate compulsory licensing if a plant breeder does charge an excessive amount of royalty or remuneration to himself. I put that motion now.

The Acting Speaker (Mr. Paproski): Is the House ready for the question? The hon. parliamentary secretary.

Mr. Cardiff: Mr. Speaker, I do not know whether or not anyone else intended to rise, but I am prepared to respond to Motions Nos. 1 and 3. I would like to do that after the debate is finished, if anyone else was intending to rise.

The Acting Speaker (Mr. Paproski): Is there any further debate with regard to Motions Nos. 1 and 3?

Mr. Althouse: Mr. Speaker, I rise on a point of order. It would facilitate the debate considerably if the government side would indicate how it intends to dispose of the motion. I think that would then determine whether we can cut the debate off immediately, or whether other people want to continue to try to press the point.

The Acting Speaker (Mr. Paproski): Would you like me to put the question?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker. I am quite prepared to respond to the two motions.

At the outset, I would like to indicate that we anticipated speaking on this debate much earlier today. We were hopeful that the Minister of Agriculture would be able to be here to take part in some of the debate. Unfortunately, it has been late in the day when we started, and he will be unable to be here to take part.

That does not mean that he is not interested in this legislation. He has a keen interest in this legislation.

I also want to point out that, in the committee hearings, we did hear from some of the groups that the hon. member for Mackenzie had raised concerns about, such as the Third World, which is the Ten Days for World Development, the United Church, and the Environmental Law Association. Those are some of the people we have heard from.

The intent of Motion No. 1 is to exclude cereal and vegetable varieties from the eligibility for protection under plant breeders' rights. This would not only affect cereal and vegetable varieties, but would have implications for all species. If Canada is to join the International Union for the Protection of New Varieties of Plants, then our legislation must apply to the largest number of species available. This is a requirement of the Convention establishing the International Union.

The effect of this motion would therefore be to prevent Canadian membership of the International Union. This would mean that Canadian plant breeders would not obtain the right to protect their varieties in other countries, thus forfeiting royalty payments back to Canada. We are already losing millions of dollars because Canadian corn and soybean varieties, bred by Agriculture Canada, are unprotected in Europe and so are sold without royalties. The direct effect of this motion on cereals and vegetables would be to discourage investment in breeding varieties of these kinds in Canada. Foreign variety owners would be reluctant to permit their varieties to be sold in Canada where they could not be protected.

As is currently the case, those most penalized by this motion would be those in smaller agricultural areas such as the Maritimes. There are cereal varieties bred for areas with similar climatic conditions in Europe. However, the breeders are reluctant to allow their varieties to be sold in Canada when there is no return.

If vegetables are to be interpreted as including potatoes, then the impact of this motion would be very detrimental to seed potato producers in New Brunswick and Prince Edward Island. These producers would like to be able to multiply seed of Dutch potato varieties to sell on the export market. The Dutch variety owners are interested in having their varieties multiplied in Canada, but only if their rights can be protected. At the present time, there are numerous Dutch potato varieties representing substantial potential export market for Canadian producers, but these varieties are withheld from Canada because the breeders of the varieties cannot have their rights protected.

• (1620)

This motion is directly contrary to the wishes that the agriculture and horticulture producers expressed to the legislative committee studying Bill C–15. Both the Canadian Federation of Agriculture, speaking for agriculture producers, and the Canadian Horticulture Council appeared before the committees and supported the legislation.

I would like to read a letter into the record that was addressed to the Minister of Agriculture. It is dated April 23, 1990, and states:

> Dear Mr. Mazankowski:
>
> The Canadian Federation of Agriculture is becoming concerned that the Act Respecting Plant Breeders' Rights (Bill C–15) is being unduly delayed within the parliamentary process.
>
> Our members feel strongly that the legislation will have numerous benefits for Canadian agriculture. These include encouraging the development of new agriculture crop varieties as well as facilitating the exchange of propagating material between Canada and other countries.
>
> We should point out that many of the caveats which our organization has had with respect to PBR have already been addressed directly in the Bill, by the Committee amendments—In addition, because Bill C–15 is enabling legislation other issues raised in our brief to Committee will be addressed by the development of regulations specific to each agricultural crop. We are confident that a co-operative effort will result in the development of effective regulations.
>
> At this point we feel that your Government should give a high priority to the passage of Bill C–15, and you can be assured that our organization will be supportive of these efforts. Further delays in the parliamentary process will only postpone the potential benefits the farm community may derive from this important legislation. Thank you in advance for your efforts.

That is signed by Mr. Don Knoerr, the president of the Canadian Federation of Agriculture.

These two organizations did not suggest any limitations on the crop kinds which should be covered. The producers support the legislation because they want more improved varieties of all crops. They realize that those varieties will only be developed or made available

if plant breeders can make a reasonable return on their investment. This legislation provides encouragement to Canadian companies to invest in plant breeding. It enables public institutions such as Agriculture Canada and the universities to obtain additional funds for their plant breeding programs. It provides the mechanism for Canadian plant breeders to obtain recognition of their rights in other countries and so obtain royalties.

All these benefits will be lost if this motion passes because the motion, in effect, destroys a large part of the benefit of the legislation. It radically alters the bill by removing from it some of the major crops in Canada.

I will take a moment or two and respond to Motion No. 3. This motion would require the commissioner to grant, on request, a compulsory licence for each cereal, oilseed or pulse variety seven years after the granting of rights in that variety.

This amendment is contrary to the principles of the bill and to the International Convention for the Protection of New Varieties of Plants. Instead of plant breeders being able to plan the marketing of their new varieties on a long-term basis, the breeders would have their marketing system dictated to them without any say in the matter.

The effect of the amendment would be that there would be a compulsory licence for every successful variety of all the major food crops. The commissioner would be required to set the royalty rate for each of these varieties. This differs from the present arrangement in which a compulsory licence is granted only on the basis of a complaint because a variety is not widely available or is unfairly priced.

The amendment diminishes the role of the advisory committee because it imposes an inflexible marketing system which would apply in every situation. There would be no provision for varying the system by regulation on the basis of advice from those affected.

The impact of this amendment would be greatest in small niche markets, such as those in the Maritimes and British Columbia. There would be no incentive to seek out varieties for small specialized markets if, after seven years, the variety owner had to make it available to competitors to sell.

The amendment provides a particular disadvantage to varieties bred in Canada, and might act as a disincentive to investing in plant breeding in Canada. With an introduced variety from another country, it might be possible to bring in sufficient seed stocks to benefit at least from seven years of exclusive or planned marketing. With a Canadian variety, it would take several years to build up seed stocks but the period of rights would have commenced and so there might only be four or five years or exclusive or planned marketing before the variety owner had to surrender the variety to competitors.

There is some difficulty in knowing how this amendment is intended to work. The proposed new subsection 3 is exempted from the conditions of the present subsections 1 and 2, but not the subsequent subsections. The present subsection 4 allows the altering or revoking of compulsory licences on the basis of representations to the commissioner. So, it would be expected that every compulsory licence granted under this amendment would be challenged, particularly as there is no provision in it for a prior hearing. This is a recipe for chaos, with a review required on every variety of food crops granted a right.

The international convention stipulates that rights may only be limited in the public interest. This proposal does not allow for any evaluation of the public interest. Instead, it imposes a marketing system which severely limits the rights of the plant breeder. The plant breeder may have set up a network of licensees to supply the market, but after seven years any market development they have done will be to the benefit of their competitors who will be able to take over the market since they will not have had the cost of variety development and promotion.

This motion would greatly increase the cost of administering the legislation. Instead of the compulsory licence being an exceptional provision for resolving abuses of plant breeders' rights, it would apply to every successful food crop variety. The market potential of each variety would have to be assessed to determine an equitable royalty rate. Even in the same crop kind, such as spring wheat, the appropriate royalty might be quite different for a variety adapted to a few thousand acres in the Maritimes as compared with one adapted to millions of acres in western Canada.

The Acting Speaker (Mr. Paproski): On debate, the hon. member for Burnaby—Kingsway.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have been almost two years in this Parliament. It is Port Moody—Coquitlam. That was the last—

The Acting Speaker (Mr. Paproski): I am sorry. You are sitting so close to the hon. member for Burnaby—Kingsway. I just noticed the hon. member. He is kind of far away. You are blending in with the concrete.

Mr. Waddell: Mr. Speaker, I tried to be slightly radical for this place and actually put on a spring suit to look a little different than the normal blue serge of all the males in this House. But, it never works.

Some hon. members: Shame!

An hon. member: When you speak, you should stand up.

Mr. Waddell: I am standing up, Mr. Speaker.

I have just a couple of remarks to make. The Parliamentary Secretary to the Minister of Agriculture, when he spoke on behalf of the government on the amendment presented by my friend, the hon. member for Mackenzie—who is a real expert in agriculture—was giving the real reasons why plant breeders' rights do not really work for a small country like Canada. When he used the words "planned marketing"—to plan your marketing for the long term—I think of monopoly. Those are words that sometimes lead to a monopoly. To give the people the right to plan their marketing means to give them a monopoly and so they are set for a period.

The parliamentary secretary talked about taking away privileges with this amendment if it was passed. It seems to me that the amendment is giving privileges. The privileges do not exist now so the amendment is giving privileges. It is the bill that is taking away the privileges.

I also thought of the patent drug bill as an analogy. I am not an expert in plant breeders' rights, and I am sure hon. members will say: "Well, that is obvious when I hear him speak". I am not an expert. I am from an urban riding and this is a difficult subject, but I am interested in it from an international law point of view.

I recall when the government brought in the bill which deals with drug patents to give privileges and monopolies so they could plan and market for the long term. These words echo that debate. And what happened? Prices went up. There was no real new research in Canada. I believe that there is outside control and other companies are taking over some of our Canadian companies.

• (1630)

One has to approach the problem of harmonization in the international world, the new international economic order. We are a shrinking world. A Canadian, Marshall McLuhan, said 25 years ago that we are more and more a global village. We are now, as the government will no doubt argue, and there is a lot of truth to it, a global village economically as well. So we have to harmonize the world economy. I suppose that does make some sense. It makes some sense to have an international order that runs better that way.

The problem with it is who controls it. Who has the monopoly? Who has those privileges? That concerns me again with the plant breeders' rights notion that we freeze things in the world and we take away, especially from the Third World, their resources, their genetic resources in this case, and we use those resources. The rich, largely big business people in the first world, our world, get to control those resources of the poorer people in the developing world. That concerns me.

I have mentioned the monopoly aspects. That is part of this whole internationalization. Licensing a life form also concerns me. I do not believe this has been done in Canada. It leads to all sorts of interesting legal questions that are being debated now in our modern world. Can you own a human being? Can you own a gene? Those are the issues.

This amendment basically says you can have plant breeders' rights, monopoly rights if you like, privilege, orderly marketing for a long period, but do not do it to our food, continue the public breeding program for our food which, it seems to me, has worked for a smaller country like Canada. That is what gives me great concern about plant breeders' rights and that is what leads me to support the amendment offered by the New Democratic Party, my party, and the hon. member for Mackenzie.

Mr. Brian White (Dauphin—Swan River): Mr. Speaker, my intervention will be brief. The member for Port Moody—Coquitlam mentioned the drug patent legislation. I think it is important that we point out to the House and to Canadians that if we are using the analogy

of the drug patent legislation, the opposition parties have nothing to fear from plant breeders' rights.

The report of the first full year of the drug patent legislation showed the companies investing more than they had promised in research and development and that the price of drugs had increased 1.7 per cent less than inflation. That is the first time that had ever happened. So if plant breeders' rights is handled the same way as the drug patent legislation has been handled, then Canada will be far better off.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I became familiar with this bill a number of years ago. It was introduced first in this House, I believe, by the Hon. Eugene Whelan in 1980, so it is nothing new. I have companies in my community, one being Oseco Seeds, which is very concerned about this particular piece of legislation and would like to see it go through. It does a great deal of research itself but also does a great deal of purchasing of seeds from the west. I know of their concern to get this through.

I would share the hon. member's concerns if the largest farm organization in this country did not in fact support this legislation. My colleague, the Parliamentary Secretary to the Deputy Prime Minister and Minister of Agriculture, laid it out very well. He is, by the way, a very successful farmer as well.

I am not concerned about this monopoly that the hon. member talks about. What I am concerned about is research and development and that the people who develop the various strains get fair compensation for their development as happens in other countries as well. I just do not have that same concern that the hon. member has.

I might say in passing that orderly marketing is something that every individual business person should do if they are going to have a successful operation, whether large or small. Orderly marketing is not something that should concern the members of this House as well.

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

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 76(8), the recorded division on the motion is deferred.

The next question is on Motion No. 3 standing in the name of the hon. member for Algoma. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

An hon. member: On division.

Motion No. 3 (Mr. Foster) negatived.

The Acting Speaker (Mr. Paproski): Motions Nos. 4, 5 and 9 in the name of the hon. member for Algoma are in order. Motions Nos. 4 and 5 will be grouped for debate but voted on separately.

Mr. Maurice Foster (Algoma) moved:

Motion No. 4

That Bill C-15 be amended in Clause 73 by striking out line 14 at page 37 and substituting the following therefor:

"73. (1) The Minister shall constitute an."

Motion No. 5

That Bill C-15 be amended by adding immediately after line 4 at page 38 the following new clause:

"74.1 The Commissioner, in consultation with the advisory committee, shall consult with the Department of Consumer and Corporate Affairs on all matters related to the administration of the Act if said matters could reasonably be considered as being of concern to the said department".

He said: Mr. Speaker, when I spoke previously I outlined that we had passed a fairly extensive amendment to the advisory committee to the commissioner of plant breeders' rights. This amendment would make the establishment of that committee compulsory.

The present legislation provides that the minister may appoint an advisory committee. I think that this is really the key amendment here this afternoon in that the powers of the advisory committee to assist the commissioner of plant breeders' rights have been more clearly defined in amendments which we passed in the committee itself. They are to advise and assist the commissioner on the manner in which the act is to be applied to individual licences or individual royalties on an individual plant variety.

It also gives the advisory committee responsibility to assist the commissioner in requirements relating to licence and to the interpretation of what reasonable pricing is, wide distribution of a plant variety and reasonable remuneration to the person holding the plant breeders' rights.

This is a key amendment. It is my understanding that the government is prepared to accept it. I know it had wide support at the committee stage so I would hope that it would find support all the way around the House this afternoon.

• (1640)

Motion No. 5 puts in place, in a codified way, a provision for ongoing consultation between the Department of Agriculture and the commissioner for plant breeders' rights. There was an agreement signed between the Department of Consumer and Corporate Affairs and the Department of Agriculture in June 1988 when the previous bill was established which provides for ongoing consultation among the department, the Director of the Competition Act, the Department of Consumer and Corporate Affairs and Agriculture Canada to ensure that competition continues to apply.

There has been a great deal of concern in the industry, certainly there was in the CFA brief, that there should be an ongoing arrangement. We were finally able to get a copy of that agreement. I think that the protection through the competition policy of the Department of Consumer and Corporate Affairs is there, but it seems to me that it is wise to codify it and to put it in the act itself. This agreement may lapse, maybe the Department of Consumer and Corporate Affairs will have some other name eventually. This ensures that it is in the act itself and is codified.

It simply provides that the commissioner, in consultation with the advisory committee, shall consult with the Department of Consumer and Corporate Affairs on all matters relating to the administration of the act if such matters could reasonably be considered as being of concern to the said department. This follows closely the written agreement between the two departments.

I hope that the parliamentary secretary, on behalf of the minister, who unfortunately is not here today, will be able to accept this amendment. I think it is useful in reassuring people that the director of investigations and research under the Competition Act will be in constant consultation with the commissioner for plant breeders' rights and will ensure that monopolistic practices do not develop, that consumers' rights, mostly in this case farmers, or people in other sectors of the agriculture industry, are protected and that there are not takeovers or corporate concentration which is harmful to the general public good.

I hope that both of these amendments will get the support of the House and the government this afternoon.

Mr. Brian White (Dauphin—Swan River): Mr. Speaker, I will be very brief. Once again I want to express to the member for Algoma my personal support for Motions Nos. 4 and 5, in particular Motion No. 4. I believe the work of the advisory committee is very important in the administration of plant breeders' rights. I believe that in the long-term interests of the administration of the act the formation of the advisory board should be compulsory and I would support that move.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I, too, want to support both of these amendments that have been put forward. Many times when we debate in the House or in committee we end up on opposite sides of an issue. It seems to me that in this particular case both Motions Nos. 4 and 5 are good examples of how committees do refine and improve legislation.

The legislation currently before us on plant breeders' rights is long overdue and the industry has been requesting it. In this particular case the committee, and indeed my colleague, have done their job in ensuring that

legislation gets refined and gets to be better legislation by the committee process.

Motion No. 4 is an incredibly good motion because it ensures that there is more than one individual on the advisory committee and that there are a group of individuals to assist in ensuring that the act is being administered as it properly should as to licensing and other such things.

Motion No. 5, as my colleague has said, codifies the relationship with the Department of Consumer and Corporate Affairs. If there is any fear of the development of a monopoly —and we would hope and expect that the department would be very wary of that in any respect—it basically commanded by this piece of legislation to be very vigilant to ensure that the consumer, in this case the farmer, is not at some future time gouged as a result of the legislation.

I rise in support these two motions and I would hope that others on all sides of the House would support them because it betters this piece of legislation.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I will be responding to Motion No. 4 and Motion No. 5.

The minister indicated in his speech at second reading and in the background document he released when the bill was first introduced, that he intended to have an advisory committee to advise on the administration of the Plant Breeders' Rights Act.

When the bill was drafted it followed a format that had been used previously, dating back to Bill C-32 which received first reading in May of 1980. In this format it states that the minister may appoint an advisory committee. I want to remind the House that it was a minister of agriculture who served for many years in this country, the hon. Eugene Whelan, who brought that bill in at that time.

The opposition has expressed a concern that the word "may" in clause 73 implies that there could be situations in which the minister may not appoint an advisory committee. The minister sees an ongoing function for the advisory committee and does not envisage a situation in which the committee would become redundant. For those reasons the government is very supportive of this motion.

Motion No. 5 would require the commissioner, in consultation with the advisory committee, to consult with the Department of Consumer and Corporate Affairs on matters related to the administration of the act which could reasonably be considered as being of concern to that department.

The motion is very similar to one which was considered by the legislative committee and rejected. It was rejected not because there was an objection in principle to the proposal, but because this matter is already being covered in a different way. There already exists a memorandum of understanding between the Department of Consumer and Corporate Affairs and Agriculture Canada with respect to this legislation. This MOU covers administrative aspects relating to other laws in the Competition Act and the other intellectual property laws. It is intended to ensure that the two departments work closely together and such agreements are not usually included in acts or regulations.

It should be pointed out, Mr. Speaker, that the existing MOU is broader in its coverage than this motion. The motion refers to an official in Agriculture Canada, the commissioner of plant breeders' rights, but the MOU is an agreement between departments. Considerable consultation has been necessary between the two departments in the development of the plant breeders' rights bill. Such consultation will be ongoing as the legislation is implemented. This is provided for in the MOU and so this motion is unnecessary.

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

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 4 (Mr. Foster) agreed to.

The Acting Speaker (Mr. Paproski): The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 5 (Mr. Foster) negatived.

• (1650)

Mr. Maurice Foster (Algoma) moved:

Motion No. 9

That Bill C-15 be amended in Clause 77 by striking out line 6 at page 42 and substituting the following therefor:

"(v) the development of sustainable agriculture in Canada,

(vi) any increase or decrease of public research in plant breeding in Canada,

(vii) the transfer of technology to Third World countries and the development of sustainable agriculture in such countries, and".

He said: Mr. Speaker, Motion No. 9 deals with a report which is provided for in the bill itself. It is envisaged that this bill, after a period of ten years, would be fully opened up and brought to Parliament for a complete review. I had suggested that this be reduced to seven years. Unfortunately, my committee colleagues did not fully agree with that, so it is a ten-year period.

In order for the House of Commons to review it, there is a provision in the bill that the Minister of Agriculture would prepare a report on the operation of the act and the commissioner's office.

Of course, there are ongoing agreements. The UPOV agreement would, I suppose, be included in any report. In any event, clause 71(2) provides for this report. It is suggested that the report will cover the impact of investment as a result of the operation of the act, that it will deal with improvements in facilities to obtain foreign varieties of plants in Canada, protection abroad for commercial purposes of Canadian plant breeders so that they are able to sell their seed varieties abroad and have proper protection and receive the royalties that are due to them, the improvement of plant varieties and so on.

This amendment would simply add to that list of items the report itself could deal with. Item one is the development of sustainable agriculture in Canada. I believe that biotechnology has a great potential in this country for developing seeds which are more resistant to disease or to pests so that we can do away with a certain amount of pesticides and herbicides. It could have a very beneficial effect on sustainable agriculture in this country.

There is a lot more to sustainable agriculture than simply the reduction of chemicals, pesticides and herbicides, but that is one aspect. I think it would be useful for a committee of the House of Commons in the future to see how beneficial this act has been to sustainable agriculture and what elements of sustainable agriculture it would have an impact on.

The second item is an increase or decrease of public research in plant breeding in Canada. One of the greatest concerns is that the government plans to reduce the amount of public research in the country and essentially privatize. I think the government could show its concern, the minister has indicated that he is prepared to maintain public research in agriculture and plant breeding, by accepting that portion of the amendment. We are only talking here about a report containing information for the benefit of members after a ten-year period of operation of the act.

The third item is the transfer of technology to Third World countries and the development of sustainable agriculture in such countries.

At the second reading debate there was a great deal of concern that big, multi-national corporations would seize the plant breeding capacity in this country and then would exploit it to the disadvantage of Third World countries. At the same time there was concern as to whether the bill would be operated in such a way that there would be a good and a safe transfer of technology to Third World countries.

Surely we have a great responsibility in this country, not only for international development but especially for development of the food-producing capacity of those Third World countries. We should be doing that on the basis of sustained agriculture, not on the basis on which much of the agriculture in North America, the United States and other countries, operates today, which is highly dependent on chemicals, fertilizers, pesticides and so on.

That concern has been expressed by church groups and many other groups which came before the committee. I would think that the government might be willing to accept this amendment so that the report that will be made after the operation of the legislation for a number of years will, as much as possible, indicate the exact impact of the bill with regard to those three items which I have listed today. Some of these things are very difficult to quantify.

I would hope that the parliamentary secretary, on behalf of the minister, might be willing to accept this amendment today. I think it touches on a number of areas of great concern to Canadians. At least in the annual report, if not in the parliamentary review which is provided for in this bill, those items of concern to many Canadians would be reported.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I will try to be as brief as possible. This motion incorporates the new section proposed for the minister's report.

I would like to list the difficulties posed by attempting to report on development in sustainable agriculture. There is no single agreed definition of what is meant by sustainable agriculture. There is no current measure of the level of sustainable agriculture against which to make comparisons. There are several thrusts, both federal and provincial, to develop the concepts of sustainable agriculture. While one of those thrusts is the breeding of varieties with improved pest and disease resistance, this is only part of the necessary changes. Other changes involve cropping patterns and systems of husbandry.

It can be hoped and expected that in ten years the level of sustainable agriculture will have increased. However, it may be difficult to quantify since the current level is undefined.

In addition, it would be very difficult to determine what proportion of any change will be attributable to the plant breeders' rights legislation rather than any of the other thrusts.

Although clause 77 of the bill does not specify that there will be a report on public plant breeding developments, it is implied in several of the items. An example of this would be improvement of plant varieties to the public benefit and any other public advantage.

It seems unnecessary to spell out every single item that might be an important factor in a report to be delivered in ten years time.

The plant breeders' rights bill is intended to encourage plant breeding in Canada and for Canada. It is possible, although rather unlikely, that some of the new varieties developed may be of potential application in Third World countries.

Currently, there is no marketing of Canadian varieties to Third World countries although some Canadian developed varieties have been used as the basis for plant breeding of improved varieties in the Third World countries.

The introduction of plant breeders' rights in Canada will facilitate the export of seed of protected varieties to other countries. However, this will only impact on exports to other developed countries with similar legislation. It will not influence the export of seed to Third World countries.

The major impediments to Canadian seed exports to Third World countries are the lack of varieties adapted to their conditions and the lack of a seed industry in those countries ready to import and distribute seed.

Seed exports to Third World countries from Canada are not anticipated. In the broader area of the transfer of technology to Third World countries, there are numerous Canadian programs intended to transfer technology to such countries. These include some plant breeding programs funded by CIDA. However, there is no relationship between these programs and the introduction of plant breeders rights' legislation in Canada.

The development of sustainable agriculture in Third World countries clearly will be determined by their national priorities. It would be inappropriate for Canada to try to direct other countries' agricultural programs in a particular direction. Canada can only respond to requests for particular expertise to be made available.

It is impossible to establish a clear relationship between the introduction of plant breeders' rights legislation in Canada and either the transfer of technology to Third World countries or the development of sustainable agriculture in such countries. This proposal is irrelevant to the measurable impact of this legislation.

The Acting Speaker (Mr. Paproski): Does the hon. member for Mackenzie wish to call it five o'clock?

Mr. Althouse: I would like to call it five o'clock, Mr. Speaker.

The Acting Speaker (Mr. Paproski): It being five o'clock, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—BILLS

[*English*]

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member, the Chair would like to remind members that the random draw to establish an order of precedence for consideration of additional items of Private Members' Business was postponed indefinitely by an order made on Wednesday, January 30, 1990. As a consequence, once the remaining item on the current order of precedence has been dealt with by the House, Private Members' Hour will be suspended, except to consider a Private Member's Bill or Private Member's Bill from the Senate.

Private Members' Hour will remain suspended until a random draw has been conducted and the Standing Committee on Privileges and Elections has reported on the selection of the votable items.

Since there will be no business before the House on Monday between one o'clock and two o'clock, the House may wish to agree to meet only at two o'clock while Private Members' Hour remains suspended. On the other days of the week, the House will continue with the business before it prior to Private Members' Hour whenever there is no Private Members' Business to consider.

* * *

UKRAINIAN GREEK ORTHODOX CHURCH OF CANADA

MEASURE TO AMEND

Mr. Jim Edwards (Edmonton Southwest) moved that Bill S-13, an act to amend an act to incorporate the Ukrainian Greek Orthodox Church of Canada be read a second time and referred to a legislative committee.

He said: Mr. Speaker, it is a privilege to have the opportunity to introduce this bill for the consideration of the House. Just before I speak to the bill, Mr. Speaker, I think you would find that there was unanimous consent to proceed today with all stages of this bill including referral to committee of the whole rather than our usual practice of a legislative committee.

The Acting Speaker (Mr. Paproski): Is it agreed?

Mr. MacLellan: Mr. Speaker, it gives me a great deal of pleasure on behalf of the Liberal Party to agree to the hon. member's request. We are in full agreement that this is a very worthwhile bill and we are agreed that it should proceed in all stages today.

Mr. Taylor: Mr. Speaker, I also concur. I have been informed that discussions have occurred and that the New Democratic Party is in agreement to proceed with this bill through all stages today.

The Acting Speaker (Mr. Paproski): So ordered. On debate, the hon. parliamentary secretary, the hon. member for Edmonton Southwest.

Mr. Edwards: Mr. Speaker, very briefly I would like to just touch on some of the background and history of this bill. Two years ago, hundreds of thousands of Canadians of Ukrainian origin rejoiced in the celebration of the millennium of Ukrainian Christendom.

Legend, supported by various chronicles and some research, has it that the great Apostle Andrew had preached the gospel of Christ along the southern shores of the present day Ukraine and had travelled north on the waters of the Dnipro River, and that he reached the hills where the present capital city of Kiev now stands, planted a cross on the site and prophesied that one day on those hills many churches would be built and from there the gospel of Christ would travel to many lands.

The millennium of Ukrainian Christianity traces to 988 A.D. and the occasion of the embracing of Christianity of Byzantine Rite by Grand Prince Volodymyr the Great, who adopted Christianity as the state religion and began the process of Christianizing his realm.

In so far as Canada is concerned, the Ukrainian Orthodox Church in Canada was established in 1918 to serve the spiritual needs of those who originally survived the various oppressions by immigrating to Canada and also the community of Canadians of Ukrainian heritage whose desire was to maintain their ancient Christian faith.

At the moment, the Ukrainian Orthodox Church of Canada has approximately 300 parishes, five cathedral churches, five sub-cathedral churches and its own theological seminary, St. Andrew's College of Winnipeg which is affiliated with the University of Manitoba. The church has roughly 100 clergy and three bishops whose primate is His Beatitude, Metropolitan Wasyly of Winnipeg and of all Canada.

To get to the substance of the bill, the name "Ukrainian Greek Orthodox Church" was adopted at the time, in 1918, to signify its "Byzantine or (synonymously) Greek Rite", rather than the "Latin Rite". In practice, most parishes and institutions of the Ukrainian Orthodox Church of Canada have excluded the word "Greek" from their names since at least the 1950s or earlier as being redundant to the common usage of the descriptive word "orthodox". The proposed amendments to the church's 1929 charter are intended to update the charter to reflect the present day situation of the church and the current use of its name.

In addition to the formal change of name, a number of provisions in the original charter are proposed to be amended or repealed so that the church can provide for more effective management through its by-laws. The bill would also remove, as being outdated or no longer required, certain restrictions relating to the holding of real estate beyond a certain value or not required for the church's actual use and occupation.

I am indebted to an Alberta colleague in the other place, the Hon. Senator Earl Hastings, who assisted me in the researching of some of this material and who, indeed, was the sponsor of this bill in the other place.

In conclusion, there is a meeting coming up next month in preparation for the general council meeting of the Ukrainian Orthodox Church, scheduled for the Canada Day long weekend in Winnipeg, which is the general council meeting which is held every five years. It is my hope that the House may deal expeditiously with this bill today, and I appreciate the generous unanimous consent that has been extended, so that members of the Consistory who are preparing for the May meeting and the Canada Day meeting can be assured that, indeed, the church will be renamed to reflect the reality of our marvellous Ukrainian presence here in Canada and the reality of the Ukrainian Orthodox Church of Canada.

And so, Mr. Speaker, I would move adoption of the bill at second reading stage.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to thank the hon. member for Edmonton Southwest for taking on the work of this bill. It is very important and very significant that all members of all parties in this House recognize the importance of this and the contribution of the Ukrainian community. I know, in our party, we are all very pleased to be of assistance and to try to expedite this as much as possible.

I, too, would like to thank Senator Hastings in the other place for the work he has done in bringing this forward.

As the hon. member for Edmonton Southwest has said, the bill is fairly straightforward, relating to the Rite which was Constantinople more to a shift in the Latin or Roman Rite, and also with respect to the provisions in respect of the ownership of land, as well as some amendments regarding the administration and by-laws of the church. I think that it is certainly in our interest and the interest of all members of the House to have this passed as quickly as possible.

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

Some hon. members: Agreed.

Motion agreed to, bill read the second time and, by unanimous consent, considered in committee, reported, read the third time and passed.

The Acting Speaker (Mr. Paproski): It being 5.12 p.m., this House now stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 5.12 p.m.

HOUSE OF COMMONS

Friday, April 27, 1990

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

• (1010)

[*English*]

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

The House resumed from Thursday, April 26, consideration of Bill C-15, an act respecting plant breeders' rights, as reported (with amendments) from a legislative committee and on Motion No. 9 (Mr. Foster) (p. 10738).

The Acting Speaker (Mr. Paproski): When Bill C-15 was last before the House, the hon. member for Mackenzie had the floor. The hon. member for Mackenzie.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, I had risen to begin discussing Motion No. 9 on Bill C-15. This motion proposes to amend the clauses of the bill which outline the rules or the goals of a review of the act. In effect, the ministry of agriculture of the day is to lay a copy of the report before the House after the expiration of 10 years of use of the Plant Breeders' Rights Act.

The bill itself lays out some areas that should be looked at when reviewing the act. They are to find out whether the implementation of the act has resulted in the stimulation of investment in the businesses involving the breeding of plant varieties. They should decide whether the operation of the act results in any improvement in obtaining foreign varieties of plants in the interest of Canadian agriculture. They should check whether the operation of the act results in protection abroad, for commercial purposes, of Canadian plant varieties, and they should test whether the operation of this act provides improvement of plant varieties to the public benefit and particular to the benefit of farmers and nurserymen.

My friend from Algoma has proposed in Motion No. 9 that three more areas be looked at: whether the implementation of the act has led to the development of sustainable agriculture in Canada; whether implementation of the act has increased or decreased the expenditure and application of public research in plant breeding in Canada; and whether the implementation of the act has resulted in the transfer of technology to Third World countries and the development of sustainable agriculture in those countries.

The parliamentary secretary argued on behalf of the government that these three additional areas would be very difficult to measure because there is no agreed single definition of sustainable agriculture. I would accept that, except I have great difficulty when I look at the rules that the government is prepared to accept. The criteria that the minister's parliamentary secretary has used for rejecting the additional three points in Motion No. 9 could apply equally to the four points that the government is willing to accept.

It is not easily determined how anyone could decide whether investment had been stimulated by the introduction of this act. The government and the department admit that no baseline study has been done to determine how much investment there is now. So if there is nothing to measure from, how can one tell that there has been an improvement or a diminution of investments? The minister's Parliamentary Secretary could have argued equally strongly that it would be very difficult to carry out this part of the Act, and yet he is prepared to support that.

In the Act itself, the government is proposing to measure whether or not the operation of the Act results in an improvement of facilities in obtaining foreign varieties of plants into Canada. No one knows now how many foreign varieties are working in Canada. I am aware that there are foreign varieties here which the Department of Agriculture probably does not know about or, if it does, it does not seem to have a list that it

was prepared to show to us during the course of the committee's hearings.

For protection abroad for commercial purposes of Canadian plant varieties, we have no baseline study to know now what our penetration of the foreign markets are, so how are we going to measure whether it has been improved or diminished?

The fourth point that the government is prepared to support is with regard to whether there would be an improvement of plant varieties to the public benefit, particularly to the benefit of farmers and nurserymen. We may be able to go backward, find what varieties are in existence now, and set up a system to provide that kind of monitoring and measuring. To my knowledge, and from listening to the witnesses we had before the committee, that system is not in very good shape, if it exists at all.

Therefore, on all these items, the minister's Parliamentary Secretary is correct when he said that it was going to be difficult to make a measurement. I do not see how that can justify the government's to not support the three additional points. The whole area is rather fuzzy, but these are all questions that should be looked at.

It is not going to be easy to make the assessment that Section 77 calls for in the review procedure, but it does give some guidelines. I think that the additional guidelines that have been proposed by the member for Algoma do not conflict with the four already required by the Act which have the government's support.

If it is impossible to make the measurement in the 10–year review, the review panel can simply say it was impossible and explain why. It may find that it has to do this on all four items that the government is now prepared to support, too. But it will be able to give the Parliament of the day, farmers, plant breeders, and consumers in the country some idea of the direction in which the country has shifted because of the introduction of this legislation. I am presuming that the government majority will hold to the end of third reading and that it will pass at this stage, even though I think that is a questionable call and that this is not in the best interests of the country.

In conclusion, I would call on government members and, particularly, the Parliamentary Secretary to the Minister of Agriculture to review his analysis of these three points in light of the four that he is already prepared to support. I reiterate that the problems that he has with the three that are being proposed by my friend from Algoma are very similar to the problems that he should have with the four he is willing to accept. Since it is all going to be very difficult to measure, I think he would be well disposed to accept the other three and let us have as broad a review as is possible ten years' hence.

• (1020)

Mr. John Brewin (Victoria): Mr. Speaker, I would like to use this opportunity to put on record the concerns that many people from Victoria have expressed to me about this bill.

It is a bill which has not received the attention across the country that it might deserve. Perhaps the title is one that distracts people to believing that it is a very specialized bill. But it is one which many of my constituents feel has grave implications for Canadians, particularly at this time of concern for the environment.

The bill is seen, and in my view quite correctly, as a bill which denies the right to choose the foods and plants which we grow and consume. The bill has not had the discussion across the country that it ought to have. The amendments which have been proposed by my colleagues in the New Democratic Party will go a long way to deal with those concerns.

These amendments include a fee which should be remitted to the international board for plant genetic resources that could be used to convert and develop plant varieties and genetic resources around the world. This would ensure that the commissioner consults with the advisory committee composed of breeders, seed dealers, farmers, and the general public, and that reports would be produced. At the very least, Canadians must be kept informed as to the implications and development of this bill.

At this stage, the government seems determined to put it through. I would hope, however, that it would give very careful consideration to the various amendments, particularly the one that is before the House at this point and that it would listen to the very wise words of the member who has spoken and addressed the House on this issue on our behalf.

Mr. Lyle Vanclief (Prince Edward—Hastings): Thank you, Mr. Speaker, for the opportunity to make a few comments on Bill C-15 this morning.

I would just like to point out to the House through you, Mr. Speaker, that we in the Liberal party did have some concerns with this bill regarding plant breeders rights. However, we feel fairly satisfied with the processes we went through in the legislative committee where we heard many people with concerns both pro and con for the bill and we had some good discussions.

We feel that this bill could be improved yet, as indicated by the amendments we have put forward, but it appears that the government will not go along with them. However, we feel that the bill has been strengthened to quite an extent. We were pleased to take part in this process and to insist, to the best of our ability, to strengthen that bill. In the bill's original form, the advisory committee was not necessary. We now have agreement from the government that that advisory committee shall be appointed. It is not the prerogative of the minister any more.

We felt very strongly that that advisory committee could serve a very useful capacity in advising the commissioner, who will be put in place with the Act, in the interpretation of the Act. The advisory committee will also be in the position to give advice to commissioners as far as the requirements of regulating and licensing are concerned.

In committee we were very pleased to get the interpretation of the terms "reasonable price" and "widely distributed", as well as those interpretations that did not necessarily exist before. Because of the improvements that have been made to the bill, the commissioner will have to define what "reasonable price" and "widely distributed" are.

We would certainly like to see the passage of the amendments contained in Motion No. 9. We feel that when the reporting stages of this bill take place over the years they would broaden the report and address some of the concerns that other people have.

However, in its so-called wisdom, it is my understanding that the government does not wish to do that. I think, without question, that it is a disappointment to the agri-food industry and to many other Canadians.

I have spoken in the House from time to time about management tools, the agri-food system and the abilities that we have in the system to make our agri-food industry and our primary producer sector, in particular, competitive throughout Canada and the world. That is the name of the game. We must be competitive and have the same abilities as our competitors in order to do that.

During the legislative committee debate, the government provided us with an agreement that has taken place between Agriculture Canada and the Department of Consumer and Corporate Affairs which ensures that reporting has to be made on any transactions and any actions that are taken.

There have been concerns, but we feel that, as a result of the effectiveness of the legislative committee and the work that was done there, we could still make some more improvements. However, for the time being, we feel that this bill is sufficient to fulfil the needs requested by the industry for many years.

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

Some Hon. Members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

An Hon. Member: On division.

Motion No. 9 (Mr. Foster) negatived.

The Acting Speaker (Mr. Paproski): Normally, at this time, the House would proceed to taking the deferred division of report stage of the bill now before the house. However, pursuant to Standing Order 45(6), the recorded division will stand deferred until 7.00 p.m. on Monday, April 30, 1990.

SITTING SUSPENDED

Mr. Danis: Mr. Speaker, I think you will find unanimous consent of the House to suspend the sitting until eleven o'clock.

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

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): The House will stand suspended until eleven o'clock.

The sitting of the House was suspended at 10.29 a.m.

SITTING RESUMED

The House resumed at 11 a.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CFB SUMMERSIDE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, today is the first anniversary of the government's arbitrary decision to close CFB Summerside. Three hundred and sixty-five days have passed since the residents of Summerside and surrounding area were shocked by this announcement. They were shocked that this government made a decision of this magnitude without consultation and without any plan for the future.

A year later the people of this area are still shocked. They are shocked that there still has been no firm federal commitment of jobs. What is really shocking is this government's inability to plan ahead. For a whole year the economy of Summerside and area has suffered because of this government's decision.

Yet there are many Islanders, and many people working to save the base. I commend each and every one of those people and praise them for their dedication.

* * *

NATIONAL VOLUNTEER WEEK

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, Canada's volunteer force is one of the largest and strongest in the world. Countless numbers of men and women have dedicated their time, often without thanks, to causes and programs that could not exist without their generosity.

This week has been set aside exclusively to pay tribute to those citizens of our nation who have made a difference. They have exercised fully their citizenship by their actions and have sustained Canada's reputation as a caring and compassionate country.

I am asking that we as members of this House do something to encourage and support voluntary action as a vital and positive expression of our Canadian way of life.

Some 13 million Canadians from all walks of life and from every cultural background make volunteering an integral part of their lifestyle. Working as individuals or through organized groups like the Ponoka Wildrose Volunteer Week Committee, volunteers are the vital links that hold our society together. It is up to us to make sure that everyone around us is aware of National Volunteer Week.

April 22 to 28 may be the official week to recognize volunteers, but it is only the beginning. Our scores of volunteers are a valuable resource to be encouraged and cherished every day.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Sergio Marchi (York West): Mr. Speaker, Transport Canada's refusal to intervene in the contract talks between the limousine drivers at Pearson International Airport and the owner of Aaroport, Air Cab, and McIntosh limousines has not only hurt the travelling public through a work stoppage but also the livelihood of over 150 families.

The drivers' concerns are lower driver profits, poor working facilities, refusing drivers from attending co-ordination group meetings and Transport Canada's poor performance refusing illegal scoopers from taking unlawful fares. These are legitimate bread and butter issues affecting the lives and families of each of these drivers and are most deserving of being immediately addressed by this government.

I call upon the Minister of Transport to help mediate this dispute immediately, and to issue temporary permits to the drivers during these negotiations so that their loss of income will not be continued for another two months.

It is time that the minister learned to listen and hear the concerns of this important constituency.

* * *

ETHIOPIA

Hon. David MacDonald (Rosedale): Mr. Speaker, with respect to the serious situation in famine-threatened parts of northern Ethiopia, particularly the provinces of Wollo, Tigre and Eritrea, which presently affects the lives of 4.5 million people, recent reports indicate that in fact the small belg rains, which took place earlier this month, have provided some hope. There is the availability of seed for farmers, the migration of people has been quite limited and, in fact, the international effort, with the support of the Ethiopian relief agencies, has provided much needed assistance through the southern route.

Earlier this week the Minister for External Relations had a very important meeting with her colleagues in New York. They were trying to find a way to deal with the present situation in Ethiopia, to which the Government of Ethiopia itself responded just the day before yesterday, adding that everything that could be done will be done by it in order to ensure that relief supplies would reach all those in need of assistance. More importantly, they said and I quote:

> As regards the call for peace and national reconciliation, the Ethiopian government wishes to assure the international community of its continued commitment to begin substantive peace talks with the EPLF and other rebel groups and of its determination to reach peaceful political solutions.

We would all hope, Mr. Speaker, that peace would be the final solution to a very threatened and endangered people.

* * *

DIEFENBAKER CENTRE

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, Canadians everywhere honour the memory of the late John George Diefenbaker. As the only Prime Minister from Saskatchewan and by far the most successful from western Canada, he is fondly remembered as a great civil libertarian and friend of ordinary people.

In recognition of Mr. Diefenbaker's contribution to Canadian public life, the Diefenbaker Centre was built ten years ago on the banks of the South Saskatchewan River at the University of Saskatchewan. It houses the Diefenbaker Museum and the Diefenbaker papers and it is an important archive both for the long-term member from Prince Albert and for a major part of Canadian history.

Now the centre is threatened by a shortage of operating funds. The centre has received its last grant and will close by the end of June unless new funding is provided by the federal government. Given the massive cuts to education funding by the federal government, the university is not in a position to take up the slack.

The federal government must provide funding for this important piece of Canadian heritage. With our nation under great stress, it is more important than ever that we remember our common heritage, not emphasize our differences. When will this government honour Diefenbaker's vision, rather than permit it to be extinguished?

* * *

LENDING INSTITUTIONS

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, a constituent of mine recently brought to my attention the alarming leeway with which some of our credit card companies and lending institutions are allowed to operate in this country.

This particular customer of one of the major credit card companies has forwarded to me a statement indicating that he was charged $75.17 interest on an outstanding loan in the amount of $80 for a period of 18 days. By some fancy manoeuvring the credit card company was able to invoice this individual that amount.

Because this particular individual questioned this exorbitant charge for which he had been invoiced, and because he protested so loudly, the company reacted and reconsidered. It agreed to credit him on a future billing, so that he ends up paying $4.83 instead of $75.17. The company claimed that it was not in error, this was just a goodwill gesture.

One wonders how many Canadians who are not influential have been duped by lending institutions such as credit card companies. It is worrisome to think that unless customers put up a loud protest, many of them ultimately end up paying too much for a service.

When is the government going to take up the cause for ordinary Canadians and look into the methods used by credit card companies to ensure fair business practices are applied in the matter of interest rates when applied to credit accounts of customers?

* * *

NATIONAL VOLUNTEER WEEK

Mrs. Pauline Browes (Scarborough Centre): Mr. Speaker, tomorrow I will join over 900 volunteers in forming a human ring around the Scarborough Civic Centre to celebrate volunteerism in our community.

This event will be a very appropriate way of celebrating National Volunteer Week, and I want to pay tribute to the Scarborough Association of Volunteer Administrators for initiating this ring around Scarborough.

Volunteers play a crucial and often overlooked role in our society. Whether it is in health care, recreation, social assistance or community service, volunteers make all our lives richer.

Tomorrow, Scarborough will celebrate the important contribution volunteers have made to our community. I am proud to be taking part in that celebration and extend to all volunteers in Scarborough and across Canada sincere thanks for taking the time to care.

* * *

WHARVES

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, the livelihood of our fishermen depends on safe harbours and proper wharves, otherwise fishing boats can be seriously damaged and, more important, fishermen risk injury and possible loss of life.

I rise today on behalf of the fishermen in the community of Eastern Passage who are still waiting for the Department of Fisheries and Oceans to extend their wharf. Despite repeated promises that the extension was on the regional list of priorities, nothing—and I repeat nothing—has yet been done.

I recently met with Stan Purdy, who expressed the fishermen's frustration with this government's unwillingness to come up with the necessary funds for this improvement. At a time when the Atlantic fisheries is in a state of crisis, I believe that repairing and improving our harbour infrastructure is one way in which the federal government can show a real commitment to these fishermen.

The Minister of Fisheries and Oceans and his predecessor are well aware of the representations I have made imploring them to allocate the necessary funds. I urge the government again today to take action now before there is a loss of vessels or, indeed, a loss of life, because of the lack of this needed improvement.

* * *

THE ENVIRONMENT

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I rise to inform members of a critical situation occurring in southern Alberta. Southern Alberta is really a semi-desert area, such that early settlers and political leaders of all parties agreed that settlement required a secure source of water.

• (1110)

Under that policy, 13 irrigation districts have been organized and some 1.4 million acres of land are now irrigated. This has led to a sophisticated society of over 300,000 people raising grain, corn, beans, sugarbeets and other vegetables. As well, we have the most sophisticated beef, pork and poultry production and processing industry in North America. Over 50 towns and villages require irrigation water for their continued existence.

Members should visit southern Alberta and see this area first-hand, before so easily rejecting completion of the Oldman River dam. Indeed, courts should be more sensitive to the real consequences of their decisions. We are not dealing with abstract ideas here, but with the lives and histories of real people.

* * *

CHERNOBYL

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, yesterday was the fourth anniversary of the tragic explosion and fire at the Chernobyl nuclear power plant in the Ukraine. This date has been declared by the Supreme Soviet of the Ukrainian SSR as the day of the Chernobyl disaster. Many people died. Three million people are living in irradiated territory in the Soviet Union and evacuations from affected villages are continuing today.

Only through effective international co-operation and the joint efforts of scientists and experts from all countries, including Canada, will the consequences of this disaster be dealt with.

I join with many Ukrainian Canadians and Ukrainians in calling for an early closure of the Chernobyl plant and a planned phasing out of other nuclear power plants. I particularly urge the Government of Canada to co-operate fully in international efforts to assist in responding to the Chernobyl tragedy.

As parliamentarians, let us join today in commemorating the memory of those who died following the Chernobyl explosion, and resolve to work together to ensure that we respond to the ecological crisis that is destroying the air, soil and water of this planet.

The Sea of Azov, the Black Sea and hundreds of lakes and rivers in the Ukraine and Canada are dying. We must take action now.

* * *

MULTICULTURALISM

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I was pleased to learn of Quebecor President Pierre Peladeau's apology for his comments diminishing the place of Jewish people and women in our society, comments which were insulting and personally offensive.

As a Jewish woman, proud of my heritage and the contribution that my people and women generally have made to Canada, I believe it is important to promote a more generous Canadian approach to judging people; not by their gender, ethnic origin or mother tongue, but by their hard work, commitment and achievements. Public scrutiny and even criticism should be based on one's actions, not one's origins.

Mr. Peladeau's statements were unhelpful toward our society's goal to reinforce in our young people the longstanding Canadian values of fairness, tolerance and equality of opportunity, rather than suggesting that, no matter how hard they try, their place will be determined not by their effort, but by their language or heritage.

Tolerant, fair-minded Canadians held out the hope that Mr. Peladeau might change his attitudes and were most pleased that he finally decided to show more respect for the place of all peoples in Canada, particularly in the province of Quebec.

* * *

[*Translation*]

POSTAL SERVICE

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, the report of the Standing Committee on Consumer and Corporate Affairs and Government Operations concerning the future of postal service in Canada was tabled in the House this week.

This report, with its 39 recommendations, is the result of more than six months of work by members of this committee, during which Canadians came to express to us their views and opinions on the future of our Canadian postal service.

Canadians want an efficient, fast, safe postal service that is accessible to all at a realistic, reasonable cost.

They no longer want Canadians' taxes being used to pay for deficits due to mismanagement.

After thirty years in which Canada Post piled deficit upon deficit, it is now making a profit by constantly improving its services to customers. The 97 per cent user satisfaction rate confirms that.

We are now on the right track and we have every reason to be very proud of it. I therefore hope that the government and members of this House will give this report a favorable reception, in the best interest of the future of our Canadian postal services.

* * *

[*English*]

THE ECONOMY

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the Minister of Finance of the province of Quebec has been forced to take strong economic measures to deal with the growing recession that has been caused by the Tory's budget and the high interest rate policy.

Quebec has reduced personal taxes to stimulate the economy. It has embarked on a massive $2 billion capital expenditure program to deal with rising unemployment, and it has been forced to accept a $1.75 billion deficit.

The Government of Quebec realizes that a recession has already started, yet this government and the federal

Minister of Finance continue with their opposite fiscal policy of attempting to slow down the economy by maintaining high interest rates.

We call upon the government and the Minister of Finance to abandon their ill-found fiscal policy and to heed the cries from Quebec.

* * *

POST OFFICE CLOSURE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the community of Orangedale, Nova Scotia, is a good example of the results of what the government is doing to rural and small-town Canada. In January, the community lost its CN VIA rail station which had been a landmark for this picturesque community for over 100 years. Now, Orangedale residents have learned that Canada Post plans to close its post office there on May 15. This is the unkindest, cruelest cut of all.

The government is not content with taking the heart of the community, now it must rob its soul. The vital service is mainly used by senior citizens who are now forced to travel 20 miles to Whycocomagh to handle their special mailing and money orders.

Canada Post, in announcing this decision, offered them a retail postal service with no money to finance it. Instead they are being told that they must accept a rural route delivery which is totally unacceptable to the community of Orangedale.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance. Yesterday the government's own Department of Consumer and Corporate Affairs released very troubling figures about bankruptcy in Canada. These figures are another brush stroke in the evolving picture—another *Voice of Fire*, for that matter—of the failure of the government's economic policies.

The Department of Consumer and Corporate Affairs stated that bankruptcies across Canada soared 29 per cent in the first three months of 1990. Katherine Swift, Chief Economist for the Canadian Federation of Independent Business, said about these figures:

> The first quarter statistics are certainly corroborating peoples' suspicions of an economic downturn generally.

She went on to say:

> I wouldn't be surprised if we see worse numbers over the next few months.

Why is the minister continuing with policies that are clearly causing financial crisis for thousands of Canadians?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I view those numbers with no pleasure at all. The hon. member has asked why are we doing what we are doing.

It is not unusual at this stage of economic development in the business cycle for the level of business bankruptcies to increase. However, it would be far worse if we ignored the inflationary problem today and delayed taking action. If we did so, we would see a much higher level of inflation, a much higher level of interest rates, and the consequent still higher level of bankruptcies that would flow from that.

That is the clear policy of the Government of Canada. I have made that clear in every answer that I have given to the House so far this week.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister's problem is that he is not only concerned about inflation, but he is also obsessed with it, to the exclusion of concern about any other economic indicator. Yet the minister and the government insist on imposing a 7 per cent goods and services tax on just about everything, a tax which the minister himself admits will increase inflation.

Yesterday, Mr. Laurent Thibault, President of the Canadian Manufacturer's Association, confirmed views that have been expressed by many people across the country and in the House when he said that some middlemen will take advantage of the replacement of the manufacturer's sales tax with the goods and services tax to raise prices.

Mr. Thibault said:

> That's the difficulty in trying to make a promise that prices will be lower.

Why is the minister continuing to make promises about the goods and services tax that likely will not and cannot be kept? If he is really concerned about inflation,

why is he persisting with a tax that is not only unfair but, by his own admission, highly inflationary?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me point out that I am not obsessed with one particular economic indicator. In the review of our economic policies, we review the widest range possible of economic indicators and arrive at our decisions based on that.

• (1120)

It is very clear that economic history—the lessons that we learned in the late 1970s and early 1980s—fully support the position that we have taken. At that time the government ignored the economic indicators and led us into that most serious recession in 1981–82.

Mr. Mills: That's not true.

Mr. Wilson (Etobicoke Centre): Hon. members opposite are saying that is not true. That is absolutely true and people who have reviewed the economic history of that time fully agree with the position that I have taken and stated in the House today.

The hon. member has commented on the goods and services tax. Let me make a few points here. The first is that with the goods and services tax the cost of doing business for agriculture, the resource sector, the manufacturing sector, and the service sector will be reduced. That is going to help our ability to keep the levels of inflation down.

The hon. member has said I have made promises. I have not made promises about what is going to happen with prices. I have pointed out that the transition from the existing sales tax to the goods and services tax should result in a one-time only increase in the cost of living of 1.25 per cent.

If, at the negotiating table, business and labour try to take more out of the economy than it is capable of delivering, then we could see a higher level of inflation. That is a danger that I have been pointing out. That is why I have been calling on the business community to make it absolutely clear that they will pass on these savings to the consumer so that we do not have that inflationary surge.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, interestingly, the minister has finally admitted it will be impossible for him and for the government to force businesses to pass on any advantages or benefits of the GST to the public—to consumers in general.

My supplementary is also directed to the minister. Last Wednesday, Mr. Laurent Thibault also stated that the government's current policy, which includes a rapidly increasing tax burden, high interest rates and an artificially overvalued Canadian dollar, is having a severe impact on the competitive position of Canadian manufacturers. Those were Mr. Thibault's words.

Furthermore, Mr. Thibault asked the government to change its monetary policy which is penalizing the entire Canadian manufacturing industry.

My question to the minister is this: When will he finally realize that his policies are not working and that he is the only one who still believes they do?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me just point out that there are many organizations which have said that they are going to pass on those savings to the consumer.

The head of the Ford Motor Company and Mr. Peapples, the head of General Motors, have said that they will pass on these savings to the consumer. The result will be the reduction in the price of a $20,000 car of $600. That is very important. The price of a $20,000 pick-up truck for a farmer will drop by about $2,000. There are very real savings which the industries involved have made it very clear they are going to pass on to their consumers.

I want to comment on the member's reference to Mr. Thibault. Mr. Thibault said that the goods sector in the economy, the manufacturing sector and some of the companies in the resource sectors, are being very clearly impacted by the policies that we have been following. I understand that. But I have pointed out to people in the manufacturing sector that it is the service sector and the government sector that have been problems in holding up the expectations for inflation.

We heard from the Province of Quebec yesterday. It increased its program spending by 8.5 per cent with an economy that has an inflation rate of about 5.5 per cent. These are the things that I am concerned about.

I am also concerned about some of the wage settlements that have been brought in by governments. I have pointed out that the provincial governments have been increasing in the 6.5 per cent to 7 per cent range, whereas the the federal government is increasing at 4.2 per cent.

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INDIAN AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Minister of State for Indian Affairs and it concerns the Akwesasne Reserve in my riding.

Last night violence broke out again in the Mohawk community of Akwesasne. Four people, members of a search party looking for a missing native elder, were beaten with baseball bats and sent to hospital. Gunfire was reported and electrical power in the village of St. Regis was knocked out.

Can the minister report to us on the progress of her negotiations with the American authorities? Has she finally convinced the Americans to take the necessary measures to restore order on the U.S. side of the Akwesasne Reserve?

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I appreciate the hon. member's concern for the reserve within his riding and I certainly share that concern with him.

We have had ongoing negotiations, talks and, certainly, action by the Ontario and Quebec policing groups to try to give whatever assistance is necessary to Grand Chief Mitchell. There have been discussions with the American officials. I am confident that they are quite aware of our concern and the need for action in this particular case. We will continue our discussions with them and watch carefully over the weekend.

We have a deputy minister on staff here in Ottawa who will be monitoring carefully over the weekend and we will continue to make the necessary contacts to assure that all help is given.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I hope that the Americans do not wait until it is too late before they move ahead to provide the necessary protection.

My supplementary question is directed to the Minister of National Revenue.

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[*Translation*]

CUSTOMS

Mr. Don Boudria (Glengarry—Prescott—Russell): My second question is directed to the Minister of National Revenue. The minister is of course aware that Canada Customs at the Cornwall port of entry is located on the reserve in other words—on Cornwall Island.

What steps has the minister taken or does he intend to take to ensure the safety of Canadian customs officers and all users of the Cornwall bridge?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I think the hon. member knows that Revenue Canada and myself, as minister, have been quite concerned about the potentially dangerous situation on Cornwall Island for some time. That is why we have taken numerous precautionary steps, including agreement with the Royal Canadian Mounted Police and provincial police forces to supplement the forces already stationed around the customs office buildings. That is why we have put additional security measures in the building and are currently expanding and improving those operations.

As far as the safety of the customs officers are concerned, I can assure the hon. member that every step has been taken.

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THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a question is for the Minister of Finance. Business and consumer bankruptcies across the country are rising dangerously because of the government's high interest rate policy. Last month alone, there were more bankruptcies, over 4,100, than in the worst month of the worst year on record in the country, 1982. The Premiers, the CLC, the House finance committee and the CMA have all called for interest rate cuts.

Will the minister, even if he will not listen to these voices, at least listen to these 4,100 tragic bankruptcies in a single month?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I hesitate to accept the word of the hon. member in anything that he puts in a preamble to a question. In the preamble to his question yesterday he purported to put forward a quote from me and he distorted that quote by leaving some key information out of it. I do not forget and I do not accept for a minute what the hon. member has just said in his preamble if he is going to distort in that sort of dishonest way.

Some Hon. Members: Oh, oh!

Some Hon. Members: Shame!

Mr. Speaker: If the hon. minister has a quarrel with an hon. member on something that was said or implied in the House, it should be brought to the Speaker.

• (1130)

At the moment the imputation that the hon. minister has just made is not acceptable. I would ask him to withdraw, and I will ask the hon. member to put another question. I ask both the hon. member and the minister to be very careful.

I would ask the hon. minister to withdraw.

Some Hon. Members: Oh, oh!

Mr. Speaker: The hon. minister has made an imputation that the hon. member was dishonest. I know that the hon. minister would not want to leave that on the record.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I thought you were asking the hon. member to ask the question again, but I will take back what I said about using that one word "dishonest". What I said about the incorrectness of the member's quotation still stands.

Mr. Simmons: That's bargaining.

Mr. Clark (Yellowhead): That is not bargaining. Don't be silly, Roger.

Mr. Wilson (Etobicoke Centre): I am not bargaining with the Speaker. I am planning on stating the facts.

Mr. Speaker: The Chair has asked the minister to withdraw the imputation of dishonesty. That has been withdrawn, and the matter is closed.

The hon. member will put his supplementary question, and I know he will be conscious of the comments of the Chair and under the circumstances, be very careful.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact those statistics came directly from the statistical bulletin of the Office of the Superintendent of Bankruptcy which was released yesterday.

Can I ask for clarification from the Speaker?

Some Hon. Members: Oh, oh!

Mr. Speaker: The hon. member is giving the lead question on behalf of his party, and I understand that. I would ask him to put his question.

If there is to be an argument about anything that has taken place before it will have to take place at another time. Please put the question.

[*Translation*]

Mr. Langdon: Thank you, Mr. Speaker.

In 1982, the minister attacked the Liberal government because 40 per cent of bankruptcies were taking place in Quebec. This year, according to his statistics, 42.5 per cent of all bankruptcies will occur in Quebec. Is the minister proud that he improved on the 1982 figure for Quebec?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, as I indicated in my earlier answer I am not pleased to see companies go bankrupt, but I do know that this is one of the elements of the type of market system that we have at this stage of the business cycle. The number of bankruptcies of companies does increase.

The difference in 1982 was that we had been in a recession for a full 12 months. The interest rates were still quite high relative to the inflation picture of the day. Today we have not been in a recession. Today we are still seeing inflationary pressures that are causing concern. Those inflationary pressures were clearly subsiding in 1982. That is a very clear distinction between 1982 and 1990.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would remind the minister that it is 1990. He is responsible for policy.

Consumer debt is reaching intolerable levels, 75 per cent of personal disposable income, up from 60 per cent in 1984. That can only lead to more bankruptcies, with

these high interest rates. Will the minister stop repeating the common old refrain in his answers, or does he think that there is any Canadian left who believes what he is saying?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, yesterday I read into the record some comments made in an editorial in *The Financial Post*, one of the leading financial newspapers in the country.

Clearly there are people in this country who do support the position we have taken. Those people have the foresight to understand that if we do not take this position, if we do not get the problem of inflation under control today, then the problems in the future, the bankruptcies that the hon. member is concerned about, will increase even more because of the fact that inflation will increase and interest rates will increase even further. That will lead to a much greater slowdown in the economy and bankruptcies will flow from that. The foresight we are using in the conduct of monetary policy, financial policy and economic policy today we believe will save us from the problems we had in 1981–82.

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JUSTICE

Hon. Bob Kaplan (York Centre): Mr. Speaker, in the absence of the Minister of Justice, I would like to direct my question to the Acting Minister of Justice, and ask him about the reported hearing and judgment recently made by the Supreme Court of Canada on the basis of secrecy.

This may be the first time that the Supreme Court of Canada has decided that secrecy should prevail over one of its hearings and decisions. I think it is important to ask the minister whether the government is a party to this proceeding, whether it has any knowledge of the matter larger than the knowledge which the public has, and whether it is in favour or against the imposition of secrecy in this matter.

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I think it is an important question. In the absence of the minister who is away on government business, we do not have any knowledge other than what is reported in the press at this time. Of course, it is still before the Supreme Court, as my hon. friend knows, and I would suggest that we not comment further until the Supreme Court decides what to do with this particular case.

Hon. Bob Kaplan (York Centre): Mr. Speaker, I disagree with the minister. I want to press him on this and ask whether any steps will be taken or any representations made by the government to the Supreme Court of Canada in connection with this matter, not because the Supreme Court of Canada is necessarily wrong in its decision, but just to provide greater assurance to Canadians that the public interest is being served in this matter.

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I obviously appreciate my hon. friend's concern. I am sure my colleague, the Minister of Justice, who will be back early next week, will take that into consideration. As I have suggested, it is before the Supreme Court and I do not think we should comment any further at this stage.

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PUBLIC SERVICE

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, in the absence of the President of the Treasury Board, my question is addressed to the acting minister.

Just a few months ago in an official report to the United Nations, the government told the world how wonderfully women are doing in Canada. Now the task force has stripped away the phoney veneer of equality and exposed the sexism and stereotypes that keep the work of women in the Public Service underutilized, underpaid and exploited. Given the minister's promise of immediate action early this week, what has the minister done to stop the discriminatory firing of women at twice the rate of men?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the President of the Treasury Board accepted with appreciation the task force report and the great work done by the task force which was initiated by the Treasury Board.

The task force has indicated some legitimate concerns in terms of how the Public Service under the jurisdiction of the Public Service Commission does not permit women the opportunity that they should be provided. The President of the Treasury Board also pointed out that in those areas which are totally under the discretion

of this government, in other words governor-in-council appointments, the record is exemplary, far better than any predecessors.

The briefing note I have from the minister in terms of the newspaper article about women being fired at a rate of twice that of men is that that statement is simply not accurate. Those figures do not stand up to the analysis that I have in my hand.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my supplementary question is to the same minister. Women in the Public Service do not believe and do not want more words from the minister. They want action. There is clearly discrimination and firing going on. Will the minister immediately, if there is any question about the figures, put lay-offs on hold until he can get to the bottom of the question and stop the victimization of women.

• (1140)

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): I wonder why the hon. member feels it is necessary to be so accusatory and to not acknowledge that it was this government which brought forward that task force and asked the task force to do the study. It is this government which has shown, in terms of GIC appointments, its concern. By its actions it has demonstrated that it believes that women are every bit as capable as men of taking on these important decisions.

It is this government and the minister who said the recommendations of the task force are immediately before the Treasury Board and should be brought forward. I do not think it serves anybody's purpose to be indignant and to make false accusations about the motives of this government.

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REAL WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, my question is for the Minister responsible for the Status of Women. The Secretary of State Department has funded and is considering funding again REAL Women. In their recent newsletter they promoted the view that feminist women are to blame for the Montreal massacre. They also promote intolerance to gays and other minorities in our society. In view of the cuts that this government has made to equality-seeking organizations, will the minister assure this House and will she assure Canadian women that this anti-equality organization will never again receive federal funding.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I would just like to say, although I haven't seen the letter, I have certainly read the newspaper reports on it. If those are accurate I am deeply offended by it, as I am sure all members of this House would be.

The Secretary of State is not here today. I understand there is an application that has not been responded to. I will be discussing this matter with him and bringing to his attention this most recent incident because as you know the criteria for funding under the women's program are for organizations that promote full equality for women.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, women in this country are feeling pain, and minority groups in this country are feeling pain. There is a lot of pain in Canada right now.

Will the minister urge the Secretary of State and her other cabinet colleagues to give some kind of guarantee that this organization that promotes intolerance in our society will never again get federal dollars?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I would just like to reiterate that the objectives of this government, in its policies and its programs, are to ensure that we work toward full equality for women so that there is economic equality, legal equality and social justice. Only organizations that promote those goals should even be considered for funding by this government. That would certainly be my view and I am sure the view of my colleagues.

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ETHIOPIA

Hon. David MacDonald (Rosedale): Mr. Speaker, my question is for the Minister for External Relations and International Development. It concerns the current situation in Ethiopia which I know all Canadians are extremely concerned about, particularly with recent reports of the threat of famine to millions of people in the northern part of that country.

In terms of the present situation of famine threat, as one organization has said, it is more the result of war rather than the weather. I know that the minister has been working with her colleagues and attempting to find some solution to this. I believe she met with a number of her counterparts in New York earlier this week and developed a set a principles. Could she tell us what she thinks these principles might achieve and what they represent in terms of some resolution of this very serious crisis.

[*Translation*]

Hon. Monique Landry (Minister for External Relations): Mr. Speaker, I would like to start by thanking the hon. member for this question and his abiding interest in the situation in Ethiopia.

According to our assessment, the aid now in place is not sufficient to reach all the people in the stricken areas. It seems there are still millions of people who will not be reached. Despite Canada's continuing efforts, I felt that for humanitarian reasons we had to do more, and that is why, on behalf of Canada, I took the initiative in co-ordinating the drafting of a statement of principles—in fact, a code of conduct—for the purpose of guaranteeing delivery of food to people in the stricken areas.

This statement of principles, endorsed by the Common Market countries, Sweden, Norway, Switzerland and the United States, is an appeal to the parties to the conflict to, first of all, suspend hostilities; guarantee safe delivery of aid by neutral agencies such as NGOs, international organizations and the churches; recognize the role of the United Nations in food delivery; and abstain from all military attacks on food convoys. I repeat, all these countries endorse this initiative for humanitarian reasons, and the Soviet Union, although it did not endorse the statement, did endorse the intent of the recommendations. I hope this new initiative will make it possible to open new corridors so that we can deliver larger quantities of food to people in the famine-stricken areas.

* * *

[*English*]

COMMUNICATIONS

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, the government has once again ignored the local and human impact of its budget by jacking up the fees that cities and towns across Canada must pay to operate emergency radios for fire, ambulance and police across this land.

In the city of Côte St. Luc, in my own riding of Mount Royal, they expect their fees will increase by 1,000 per cent. The government has put its hand right into the taxpayers' pockets.

My question is directed to the Minister of Finance. Why has the government decided to increase this exorbitant and unconscionable tax on public safety?

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I thank the hon. member for her question.

The fees in question were established under the Radio Act amendments, which the hon. member, as I recall, spoke to, dealt with and made a contribution to in 1986 and 1987. In 1987, the law was passed which provides for no discrimination and no artificial subsidization of users of scarce radio frequencies across the country.

In no way will there be any adverse impact upon public safety with this move. The municipalities and organizations in question have had three years forewarning and have had ample opportunity to budget for these changes. I should point out as well that 20 per cent of municipalities across the country have had reductions in the user fees.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I wish to ask the minister a supplementary question. I have some doubts about that figure. I remember when we debated that bill, Mr. Speaker, I said that we would have such a situation. Now we are faced with a 1,000 per cent increase.

Is the Finance Minister prepared to promise today to withdraw this dangerous indirect tax which threatens the effectiveness of these essential lines of communication for police, fire and ambulance services for the public? Is the Finance Minister prepared to make that commitment?

[*English*]

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I think it is important to recall that while percentage increases may seem rather inordinate, the fact of the matter is that cities such as my own which used several hundred radio transmitters and receivers, were liable to pay only $288 per year whereas, private, charitable and safety organiza-

tions which were not related to municipalities, were paying the full fees.

So I am sure that the hon. member, in her constant quest for justice and equity, will agree that this is only fair.

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ENERGY, MINES AND RESOURCES

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources.

Some six mining communities in the Timiskaming and Algoma districts are facing the loss of some 3,500 jobs this year because of the closure of mines. In Elliot Lake alone, this involves some 2,000 jobs for miners and another 1,500 estimated jobs in the service industries.

Is the government willing to put in place, in co-operation with the province of Ontario, an over-all economic recovery program to help these communities and the families who face the loss of their jobs, their homes and their livelihoods?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. gentleman puts forward a point of view that is a very clear reflection of regrettable developments in northern Ontario and northern Quebec, to name two areas, particularly northern Ontario where his riding is located. He is correct about Elliot Lake. We have had some discussions in terms of Elliot Lake as to what might take place with respect to responding at least in part to the lay-offs. I remind him of the work of FEDNOR. It stands by, ready to help.

• (1150)

With respect to Community Futures and the work of the Department of Employment and Immigration, I should say the federal government has tried with decentralization in respect of the work of the Department of Veterans Affairs to move people from urban areas of Ontario to places like Kirkland Lake. These are steps we have taken. They do not replace the job loss. I would never pretend that that is the case. I do not know what the government of Ontario would have in mind, but appropriate contacts could obviously be made if those interests are there.

Mr. Maurice Foster (Algoma): Mr. Speaker, although FEDNOR is a useful program, in its three years of development it has created only about one-third of the number of jobs which will be lost in one year in this one industry.

Would the minister's department be prepared to take a leading role in putting together a major cash commitment for industrial and community adjustment, for decentralization of government offices out of Toronto and Ottawa and for a major funding commitment for economic restructuring for northeastern Ontario in the face of this tremendous emergency?

Hon. Tom Hockin (Minister of (Small Businesses and Tourism)): Mr. Speaker, I would like to answer that supplementary question because there is additional information which I can share with the member about FEDNOR and what is being done by the federal government in northern Ontario that would interest him.

First, he is wrong in terms of job-creation. FEDNOR has created over 1,400 jobs. That is very close to the level of concern for job creation that exists in Timiskaming now.

As the hon. member knows, FEDNOR has had a special task force there. We have had officials in the whole Kirkland Lake-Timiskaming area for the last four months putting together a strategy which answers a great deal of what he has suggested. Most important, I think we should work together with the province of Ontario to come up with a broader strategy. We are trying to do that. FEDNOR can help but we need a broader strategy and this we are doing.

* * *

THE ECONOMY

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is directed to the Minister of Finance.

The minister has been very upset lately because we have compared his words of 1982 when he opposed a high interest rate policy, and his actions today when he is implementing and supporting a high interest rate policy. Yesterday, in answer to my question on wage controls, the minister said, and I quote:

Mr. Speaker, I have made it quite clear that I do not believe in wage and price controls. I do not think that they work.

That was the minister's answer yesterday. Can the minister explain why, on August 4, 1982, he voted for the Liberal regime of wage and price controls? Where is the consistency in the words and actions of the Minister of Finance?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the position that I took in that particular vote may have related to a range of issues that were being discussed at that time.

Before I comment on what I might or might not have done in a particular vote, if the hon. member had had the courtesy to send me a notice of the question so I could refer to it, he might get a better answer.

Mr. Rod Murphy (Churchill): Mr. Speaker, I am surprised that the Minister of Finance does not remember what he said on a bill which kept us sitting through June, July and until August 4, 1982. The legislation was the Public Service restraint act. He voted with the—

Mr. Clark (Yellowhead): Another deliberate contempt of the rules by the NDP.

Mr. Murphy: —government almost each and every time he had a chance. He should remember what his policy was.

My supplementary question is directed to the Minister of Finance. What is the difference between a Liberal finance minister and a Conservative finance minister?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I appreciate very much the opportunity the hon. member has given me to draw these conclusions.

Let me reflect back to 1979–80, when the Liberal finance critic at the time, who happens to be the Leader of the Opposition, was asked whether he supported the high interest rate policy at the time, and whether he would resign if that interest rate policy was not changed. He said, not once but twice, that he would resign. He said it twice. I was sitting right beside him. He said right beside me, that he would resign.

Mr. Speaker: Despite the minister's enjoyment of being given a great opportunity to consider the question extensively, I think we will have to move on.

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, in the absence of the Minister of Fisheries and Oceans, I would like to put a question to the right hon. Secretary of State for External Affairs.

He will probably know that the Newfoundland premier, yesterday, indicated that his colleague, the new fisheries minister here, had scuttled negotiations between the Newfoundland and federal governments on the subject of a fisheries aid package.

How can the federal government here possibly come up with a satisfactory package if it refuses to consult with the Newfoundland government whose fishermen and whose plant workers are being mauled and pummelled the most by the current fisheries disaster? Is this part of this government's continuing isolation of Newfoundland over the constitutional issue? Are there fish in Meech Lake after all?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there are two separate questions here.

If the Government of Newfoundland and Labrador is isolated, that is an action quite clearly of their choice after a debate that they rammed through the House of Assembly of Newfoundland.

With regard to the question of an assistance program to help the fishery in Atlantic Canada, and particularly the northern cod fishery which is in serious crisis, the hon. member knows there have been extensive negotiations. I have been part of them myself. They have been going on for some time.

There has been some area of disagreement in that, at least in some of the discussions in which I have been involved, the government of Newfoundland which has contributed to the problem does not appear very willing to contribute cash to the solution of the problem. Naturally, as we are bringing forward a policy which my colleague hopes to announce in a few days, we hope that there will be an acceptance of responsibility for its share of solving this problem on the part of the Government of Newfoundland and Labrador.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I say to the minister that it is not only a disagreement, they have stopped talking altogether. That is quite a different thing than a disagreement.

I want to ask the minister a supplementary question. When does he anticipate that the proposed, much talked about, much awaited aid package will finally be made public? What does the minister see as the real purpose of the package? Is it to help the fishermen and plant workers to bridge the gap to better times, or is it just going to be the latest element in what I submit is the government's insidious plan to shut down rural Canada by so-called diversification, a code word for resettlement?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as a former supporter of Mr. Smallwood, the hon. member is a much greater expert on questions relating to resettlement in Newfoundland and Labrador than I am.

There is no insidious plan on the part of the government of Canada. We do, however, have a determination to finally take account of the fact that there is a very serious problem in the northern cod fishery. We are putting together a policy that has involved extensive consultation as to the means by which we can provide a long term answer to that problem. We have been consulting extensively with the unions, with the companies, with provinces that are willing to be forthcoming. We expect that the announcement will be made in the next days or weeks.

Mr. Speaker: I would advise the House there will be a single question from the hon. member for Cape Breton Highlands—Canso, and a single question from the hon. member from Windsor—Lake St. Clair.

[*Translation*]

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question was directed to the Minister of Fisheries, but in his absence, I will direct it to the Secretary of State for External Affairs.

This year, the fishermen of Chéticamp, who started their season this week, will be subject to new restrictions on their fishing activities because at the very last minute, the Minister of Fisheries decided to introduce a program to monitor fish landings, but without sufficient resources. Because of the lack of observers for this program, times and locations where fishermen can land their catch have been limited, which may put downward pressure on prices and fishermen's incomes.

Why is the Minister of Fisheries making fishermen in Chéticamp and elsewhere in the Gulf pay for his department's lack of planning?

Right Hon. Joe Clark (Secretary of State for External Affairs): First of all, Mr. Speaker, I cannot accept that the present problem is the result of a lack of planning. The hon. member asked a specific question. I am confident that the minister, if he were here, would be able to give a specific answer. Unfortunately, I don't have the details but I will advise my colleague, the responsible minister, of this question, and I can assure the hon. member that he will receive a detailed answer.

* * *

• (1200)

[*English*]

TRADE

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is addressed to whomever speaks for the Minister of Industry, the Minister of Trade or the Prime Minister or whomever.

Some Hon. Members: Order!

Mr. McCurdy: Like many other parts manufacturers in the automobile industry, Kelsey-Hayes of Windsor, which is owned by Varity Corporation, is moving to the United States. In this instance, however, the government can do something. Varity Corporation, which was previously Massey-Ferguson, was bailed out by the federal government to the tune of $125 million, as a result of which they entered into a covenant to ensure Canadian jobs and the government has an equity position in Varity.

Will the government use its arrangement and equity in Varity to help prevent the loss of additional Canadian jobs in Windsor? Save those 450 jobs that are about to be lost. The government has an opportunity to do something. I ask it to commit itself now to do something.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am very happy to respond to my hon. friend. This particular development in Windsor is of concern to the government. It is true that the

government has an equity position and will use that leverage in an appropriate way.

As the hon. member should know, in Windsor through the past five fiscal years an unprecedented number of jobs have been created as a result of the policies of this government. We are going to continue to pursue those policies. When it comes to Varity Corporation in particular, we will do everything we can to help.

Mr. Speaker: I should advise the House that continuing on a matter that was raised some days ago the hon. member for Scarborough—Agincourt wishes to speak on a question of privilege.

* * *

PRIVILEGE

DISTURBANCE IN GALLERIES

Mr. Jim Karygiannis (Scarborough—Agincourt): Mr. Speaker, during the last sitting of the House before Easter recess on April 11 it was suggested that I had some prior knowledge of a disturbance in the gallery after the recording of the GST vote on April 10.

To clarify this matter, I would like to say that passes were handed out by my office but that neither I nor my staff had any prior knowledge of what the two young men had planned to do.

While I may understand their frustration with the GST, the way in which they expressed their dissatisfaction is totally unacceptable to me. I do not condone and totally dissociate myself from this kind of action.

Some Hon. Members: Hear, hear!

Mr. Speaker: I want to thank the hon. member and I think that the response to this statement indicates the appreciation of the House.

The hon. member for Essex—Windsor has a point of order rising, I think, out of the Question Period.

* * *

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Steven W. Langdon (Essex—Windsor): Yes, Mr. Speaker. In the course of responses back and forth with the Minister of Finance, the suggestion was made that the quotation which I presented to the House from him yesterday was somehow incorrect.

I wanted to quote what I quoted yesterday as coming from the Minister of Finance, the then opposition finance critic in 1982.

> The inflation rate is between 5 per cent and 6 per cent. The current interest rate at 13 per cent or 14 per cent is simply too high.

I have also the original—

Mr. Speaker: I know the hon. member would like to keep the record straight but it is getting into debate and I think it is perhaps going beyond the usual very brief point of order. I think it is a point of debate. I think I will have to leave it here.

I would like the hon. member to avail himself of Question Period or the "late show". I think there are other ways to settle the matter.

Mr. Langdon: Mr. Speaker, I had just one final point to make. Yesterday during Question Period I had sent to the minister the exact quote from *Hansard* in which he had made those statements.

Mr. Speaker: I think perhaps that is where it will have to be left. I am sure the minister and the member can discuss the matter further if necessary, at another place and at another time. Statements by Ministers.

STATEMENTS BY MINISTERS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise on a point of order. I am sorry to interrupt the hon. Solicitor General.

The point I have to raise with the Chair is that around 9.30 this morning, the Official Opposition was notified of two different ministerial statements. We did think that the time was rather short, but more importantly, Mr. Speaker, I bring the following matter to your attention. After receiving notification that there were to be two statements from two different ministers, hon. members began preparing themselves to respond. Less than half an hour ago one of the two ministers announced that he had changed his mind concerning his presentation of that particular statement.

I think, and the House will appreciate, that that does cause some serious inconvenience for a number of members in the House. I would hope that the Speaker could assist the House in determining what the proper procedure should be in such cases where ministers give,

first of all, minimum notice, and second, withdraw at the last minute without making their presentation.

This is not in reference to the Solicitor General, but to the other minister, namely the Minister of Housing, who had given such indication earlier this morning.

[*Translation*]

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House): Mr. Speaker, what the hon. member for Glengarry—Prescott—Russell just said is correct. I believe the opposition has been asking us for a long time to advise the critics when ministers want to make statements in the House. In fact, if we had not advised the critics and the minister had made a statement, the hon. member would have been the first to criticize. In this particular case, a decision was made to advise the critics because the minister might make a statement. Out of courtesy to his opposition colleague, we sent a copy of the statement. Later, it was decided that there would be no statement right now. If this caused some problems for the hon. member, I think it was all done in good faith.

[*English*]

Mr. Speaker: The hon. member in reply, and then I will see the other member.

Mr. Boudria: Mr. Speaker, I do appreciate that we are getting notification ahead of time. That is good and proper. It was not a reflection on that principle, which obviously we fully support. I just would hope that, when we do get such notification, in order to make the House function smoothly as possible, the information provided be as accurate as possible as often as possible. Perhaps the deputy government House leader can take note of that.

Mr. Iain Angus (Thunder Bay—Atikokan): On the same point, Mr. Speaker, I just want to make a brief intervention. We too appreciate as much notice as possible.

We recognize that, as things go, sometimes 9.30 a.m. for 12.10 p.m. is the best we can do. I would ask, through you, Sir, that the government take a look at how it approaches these things, particularly in light of the fact that we have, like the Liberals, one of our colleagues preparing to make a non-statement.

As we all know, our time is eaten away by many things in this House, and if we do not have to do something, it is a bit better. The government can take a look at that, and perhaps find a procedure that is acceptable to them and helps us as well.

Mr. Murphy: On a point of order, Mr. Speaker, during the answer to a question from me during Question Period today, the finance minister was explaining the difference between himself and the Liberal finance minister who had offered to resign if the interest rates remained high. You cut off the Minister of Finance, and if he wishes to finish the statement with his resignation, we would give him lots of time to do that.

• (1210)

Mr. Speaker: There is no limit to the ingenuity of hon. members.

ROUTINE PROCEEDINGS

[*Translation*]

OCCUPATIONAL SAFETY AND HEALTH

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, each year, scores of Canadian men and women are killed as a result of workplace accidents in the service of their jobs, or suffer through the agony of industrial disease.

We must not eradicate from our memory the dead Canadian workers who have given what is most priceless—their lives—while trying to earn a living for themselves and their children.

April 28 is the National Day of Mourning for workers who have been injured or who have succumbed to death and disease as a result of noxious workplaces.

I would like the Honourable Members, employers and workers to remember that progress and economic growth shall not be paid for with the price of the lives and well-being of workers.

Let us honour and respect the workers of Canada who have given so much of themselves to us.

[*English*]

Workplace hazards can lead to human suffering and great tragedy. For example, a chemical spill oozing dangerous fumes can cause nausea, insomnia and damage to the body. Such incidents of occupational injuries

and disease occur not only in storage facilities but along the railways, inside factories and at the office desk. No one is immune to the dangers of unsafe work environments. One in every 10 workers still suffers from work-related injuries. There are medical costs and there are incalculable costs in human suffering. We all pay for occupational health and safety fatalities. In 1988, worker fatalities and injuries represented a loss of some $22 billion to Canadians.

[*Translation*]

Canadians have demonstrated their deep concern for the environment. The workplace is an occupational environment where the majority of Canadians spend their adult lives. This is why, among other things, Mr. Speaker, the safety and health of workers should not be endangered as a result of exposure to hazardous chemicals, nor should office workers suffer the consequences of poor indoor air quality.

We all share the objective of promoting healthier and safer work environments. This year has shown significant progress in the promotion of cleaner and safer workplaces. The Non-smokers' Health Act and its regulations came into effect last December 29. It is important to protect workers and Canadians from the harmful effects of second-hand tobacco smoke.

[*English*]

Several important amendments have been proposed to the Canada Occupational Safety and Health Regulations, regarding the levels of sound. The consequences of loss of hearing, because of exposure to unacceptable levels of sound are devastating. The amendments reducing the maximum permitted levels and duration of exposure to sound, should have the effect of reducing compensation costs for occupational hearing loss in the workplace by $37 million, based on the estimated reduction in the number of compensation claims over the next 10 years.

Mr. Speaker, the government promotes co-operation and consensus in all important matters affecting the lives of Canadians. This spirit of partnership has carried over to the workplace, where labour and management participate more and more in the decision-making process affecting the health and safety of workers.

[*Translation*]

Miners in Cape Breton are the immediate beneficiaries of such pragmatism, Mr. Speaker. The newly established Coal Mining Safety Commission ensures that workers are given a say in the decision-making process.

This spirit of partnership is also evident in the government's relationship with the Canadian Centre for Occupational Health and Safety. A Business Plan has been prepared by the Centre's Council of Governors which confirms that this excellent organization can become self-sufficient. The government's commitment to the Centre has been renewed, and the Centre has met this challenge of a new financial direction.

[*English*]

It is my firm belief that occupational safety and health is a state of mind that requires education and training to nurture. It is too late to talk workplace safety to a machine operator trapped in the wheels and axles of his engine. Safety must be preventive and anticipatory. Governments and laws are there to regulate, but it is the workers and employers who prevent workplace deaths and injuries.

[*Translation*]

Mr. Speaker, when we talk about occupational safety and health, let us keep in mind the suffering and dying workers of Canada. Let us not forget the gruesome malignancies caused by workplace hazards that disfigure the soul and body of honest workers trying to make a living.

We must remember that together we can and do make a difference. But let's make sure that occupational health and safety becomes a reality for all of us.

[*English*]

Mr. Stan Keyes (Hamilton West): Mr. Speaker, first, I would like to thank the Solicitor General for providing an advance copy of his remarks on the National Day of Mourning.

Tomorrow, April 28, Canadians will pause to remember those working men and women who suffer from industrial-related injuries or illnesses and those who lost their lives while on the job. We all know there are many risks involved in helping to keep this country going, including working at jobs that are sometimes dangerous

or performing tasks that could have dreadful effects for workers and their families.

I, too, would like to note that it is our duty as legislators to help reduce the risks of injuries at the work place and to provide as much information as we can so that workers will recognize and be fully aware of the hazards involved.

There are thousands of jobs in the country which have potentially dangerous consequences if not carried out properly. Sometimes accidents are a result of mechanical failure which is a reality of the modern world which we have created. However, there are also the human factors—fatigue, exposure, and a host of other problems to contend with.

The Solicitor General has just moments ago stated that in 1988 workers' fatalities and injuries represented a loss of some $22 billion to Canadians. In 1987, 894 Canadians died as a result of occupation-related accidents. Twenty-five million person-days were lost due to accidents and injuries. Obviously, this is not an insignificant problem. Over $7 billion are spent in Canada annually to cover medical costs ensuing from accidents, including costs for pensions, insurance, and loss of earnings.

The minister has just explained to the House that one in every 10 workers still suffers from work-related injuries. I believe that this number is probably much higher than that. Recognizing the problem is not enough. It is not enough for the government to rise to pay tribute to injured workers.

An important debate was held in the House a short time ago concerning the Canadian Centre for Occupational Health and Safety. For 10 years we noted that the CCOHS has provided Canadian workers with impartial, unbiased information on occupational health and safety topics to help workers and employers avoid the pitfalls of accidents. However, the government has decided to remove its funding and has begun a process to privatize the centre whose goal it will be to favour the production of markets as opposed to the delivery of services, and that is a direct quote.

I remind Canadian workers of what the Solicitor General said just moments ago. He asked us all, including members of Parliament, that progress and economic growth should not be made at the expense of the well-being or the lives of workers. I will pray for those Canadian working men and women who suffer from industrial related accidents and for those workers who lost their lives while earning their daily bread.

Some Hon. Members: Hear, hear!

Mr. Rod Murphy (Churchill): Mr. Speaker, I welcome the opportunity to rise in the House in recognition of tomorrow as a day of mourning for workers who have been killed or seriously injured in the workplace.

I would like to repeat the statistic that in 1987, the last year for which we have figures available, 894 people were killed while at work. In addition to that, 614,011 people received disabling injuries while at work in 1987.

What is interesting about that number is not only the horrendous number itself, but the fact that in the 1970s only between 400,000 and 500,000 Canadians who received disabling injuries. In other words, the trend is going up in workplaces across Canada.

• (1220)

There are many statistics that can be used to discuss what is happening to Canadian workers when they go to work each and every day. We can talk, not only about the deaths and the disabling injuries, but about the long-term disabilities and injuries that these people face and the suffering that goes on in their families, and, because of the nature of workplace contaminants, the suffering that takes place in the community as a whole.

For example, in the city of Flin Flon, in my constituency, not only do the workers have a much higher risk of dying and being injured at the work site, but the people who live in the city as well experience a much higher incidence of cancer and other very serious illnesses causing death or permanent disability.

On that particular issue, I would like to point out that the Hudson Bay Mining & Smelting has been trying for years to get federal government funding for modernization of that plant. Even though there were encouraging words from the federal government prior to the 1988 election, nothing has taken place to date. We still have that very ancient, dilapitated system in Flin Flon and no real action from the federal government. Whether in my riding or across Canada, we can show examples of the federal government failing to act on this very important matter.

It is interesting to note that the only major change to enhance worker safety in the last year has been the result of the private members' bill introduced by Lynn McDonald, the former New Democratic MP, which limited smoking in many of the workplaces across Canada, and passed by the House.

Other than that, the federal government has not taken any serious initiative. There has been no new legislation. It has not passed my private members' bill which I re-introduced on April 11 of last year with regard to a day of mourning. In addition, as was previously mentioned, the Canadian Centre for Occupational Health and Safety has been made a user-pay operation and the federal funding is being completely eliminated. Only those organizations and those workers who can afford to pay for information are going to be aware of the dangers that exist in the work site. That goes against everything that the Solicitor General said in his statement.

If the workers, their unions and the people involved in an operation are unaware of the risk that they face, then improvements are not going to take place. If funding for the Canadian Centre for Occupational Health and Safety is going to depend on those organizations that can afford to pay for the information, then it is going to become a tool of management. It is not going to be available for the workers, their families or the people in the communities affected.

It was a very sad decision that the federal government made. It affects the work and health of workers right across the country. I would say that today would have been an appropriate day for the minister to announce that there would be funding for this centre, a centre which I have toured myself, which many workers have used in the past, and which is providing a very good and necessary service for Canadians. It really makes a hypocrisy of the minister's statement to see what the government has actually done.

Mr. Speaker: I want to thank the minister and both hon. members for their interventions on this matter.

It has become customary in the House that at this time we should stand and take a minute's silence to remember our fellow Canadians who have died in the workplace.

[*Editor's Note: The House stood in silence.*]

OMBUDSMAN ACT

MEASURE TO ENACT

Mrs. Beryl Gaffney (Nepean) moved for leave to introduce Bill C-297, an act to establish the office of the ombudsman, and amending acts in consequence thereof.

Mr. Speaker: Shall the hon. member have leave to introduce the said bill?

Some Hon. Members: Agreed.

Mrs. Gaffney: Mr. Speaker, I rise in the House today to introduce a private members' bill. The purpose of this bill is to establish the institution of a federal ombudsman who would deal with specific complaints from the public against administrative injustices and maladministration, and who would have the power to investigate, criticize, and publicize but not to reverse administrative action.

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

* * *

PETITIONS

GOODS AND SERVICES TAX

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a petition signed by 882 Canadians who want to express their grievance, pursuant to Standing Order 36, to the government's proposal to institute a goods and services tax or, as is now affectionately known, a grief and suffering tax.

These Canadians call upon the government to immediately withdraw this regressive program and they ask that Parliament reject any proposal for the goods and services tax.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons)): Mr. Speaker, if Question No. 260 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 260 be deemed to have been made an Order for Return?

Some Hon. Members: Agreed.

[*Text*]

POVERTY

Question No. 260—**Mr. Skelly (Comox—Alberni):**

1. For each year from 1979 to 1990 (to date), has the government calculated (a) the poverty line (b) the number of Canadians living below the poverty line (c) the number who (i) fell below (ii) moved above the line (d) the annual consumer price index (e) the annual percentage increase or decrease in the net number of Canadians living below the poverty line and, if so, what is it?

2. Has the government calculated the cumulative consumer price index between 1979 and 1990 and, if so, what is it?

Return tabled.

* * *

[*English*]

STARRED QUESTION

Hon. Marcel Danis (Minister of State (Youth) and Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons)): Mr. Speaker, would you be so kind as to call Starred Question No. 262.

Mr. Speaker: Is it the pleasure of the House that Starred Question No. 262 be called?

Some Hon. Members: Agreed.

Mr. Danis: Mr. Speaker, due to the length of the response, I ask that it be printed in *Hansard* as if read.

[*Editor's Note: The above-mentioned question is as follows:*]

[*Text*]

FRDA FUNDS ALLOTTED TO GROUP VENTURES IN NOVA SCOTIA

*Question No. 262—**Mr. Arseneault:**

For the fiscal years 1987-88 and 1988-89, were FRDA funds allotted to group ventures in Nova Scotia and, if so (a) what total amount of money was spent by group ventures (b) what amount of money was spent on (i) construction of roads and bridges (ii) treatment work performed in the forest (c) what (i) percentage (ii) amounts of funds were spent on supervision of construction and treatment (d) what total operating budgets were involved?

Routine Proceedings

Mr. Michel Champagne (Parliamentary Secretary to Minister of Forestry): Funds were allocated under the Canada-Nova Scotia Resource Development Agreement (1982-89) (FRDA) to 18 group ventures in Nova Scotia for the 1987-88 and 1988-89 fiscal years. Expenditures by the Group Ventures under the FRDA were in two categories. The first category was for operations, administration and the hiring of professional staff.

Expenditures in this category were paid for by the provincial government and amounted to $1,618,258 in 1987-88 and to $1,848,344 in 1988-89. The second category of expenditures was for the completion of actual forest work. Expenditures in this category were paid for by the federal government and amounted to $4,088,930 for 1987-88 and to $4,668,720 for 1988-89. In total, the amount of money expended by the Group Ventures for both categories combined equalled $5,707,188 in 1987-88 and $6,517,064 in 1988-89.

Of the total expenditures on actual forest work, road and bridge construction amounted to $1,237,630 in 1987-88 and to $1,200,770 in 1988-89. For silviculture activities, $2,387,510 was expended in 1987-88 and $2,828,650 in 1988-89.

With respect to supervision, it is difficult to accurately establish the exact amounts spent since all staff of the group ventures performed supervision as part of their regular salaried duties. The groups, however, were provided with specific funding from the federal government, under the forest work category, to hire additional staff for supervision duties. The amount provided in this category was $337,640 for 1987-88 and $413,300 for 1988-89. These totals represent 8 percent and 9 percent respectively of the total amount of funding provided for forest work in 1987-88 and 1988-89.

BREAK DOWN OF EXPENDITURES UNDER THE CANADA-NOVA SCOTIA FRDA FOR THE 18 GROUP VENTURES FOR 1987-88 AND 1988-89

	1987-88 ($)	1988-89 ($)
PROVINCIALLY FUNDED		
Group venture operation, administration and professional staff	1,618,258	1,848,344

FEDERALLY FUNDED		
Forest work		
– silviculture	2,387,510	2,828,650
– roads/bridges	1,237,630	1,200,770
– other*	126,150	226,000
– supervision	337,640	413,300
sub-total (federal)	4,088,930	4,668,720
TOTAL (federal and provincial)	5,707,188	6,517,064

* This refers to other activities such as management plan preparation, surveying and renewal of boundary lines and fire pond construction.

[*English*]

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some Hon. Members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52(1)

VIOLENCE AGAINST WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I rise today under the provisions of Standing order 52, to seek leave to adjourn the House for an emergency debate.

Canadian women are alarmed at the evidence of a rising tide of attitudes which makes light of the issue of violence against women. Two incidents in particular have underscored the spread of this dangerous view. One is the high profile rugby party which made light of the Montreal massacre of young women. A floor plan of the scene of the murder was uncovered with drawings marking the spots where the women fell. Toy guns were passed around to participants.

The second incident was a newsletter circulated by the B.C. Ministry of Tourism which offered an excuse for the massacre. It read: "Who knows why he did it? The thought immediately occurred to me that he might have been a man whose child had been aborted by a feminist and that might have been enough to trigger a terrible response".

• (1230)

I am sure there are other members of the House who share my concern that, since that last time you were asked to consider an emergency debate on attitudes toward women and violence against women, the situation has only grown worse.

I submit that a debate is needed to bring to the attention of the public, of members, and of the government the need to increase programs and initiatives to counter these attitudes. Because many of these women's centres which undertook this education work have had to close their doors in the past weeks, this can only be viewed as an emergency facing the women of Canada.

SPEAKER'S RULING

Mr. Speaker: First of all, I want to thank the hon. member for New Westminster—Burnaby for giving me notice well in advance of this application. As hon. members will know, the hon. member for New Westminster—Burnaby has been pursuing this matter with great diligence, not just in the last few hours, but for a long period of time.

I do want to indicate to the hon. member that when she raised this question yesterday in the House during Question Period, and I was forced only for procedural reasons to ask her to put her question, my intervention, which I would have preferred not to have had to make, especially on this issue, was strictly procedural.

I commented yesterday to the hon. member that I know something about the club and the place where this terrible incident happened. The hon. member indicates that she also is familiar with the club, its members and the place. So, as your Speaker, I have a sense of personal anguish over that particular incident and, of course, others. There is no question in this House how we all feel about the terrible event in Montreal, and the many other things to which the hon. member and other hon. members have referred.

The hon. member has asked for an emergency debate. I want it very clearly understood by hon. members and also the public that it is sometimes difficult for a Speaker to adequately explain why an emergency debate might not be granted when the issue is of such terrible importance to the country, as is this. There is no question in this House among all fair-minded members, and I think among decent people across the country, that this issue is of very great importance to us. It affects our

children, our loved ones, our parents, our schools, the workplace, and it is of very great importance.

However, having said that, I know that the hon. member would agree with me that given the diligence of which she and other hon. members are capable, there will be other opportunities, sometimes each day and certainly in the coming days, to pursue the matter further.

With great reluctance I have to say that on strictly procedural grounds, I do not feel it appropriate to order that all of the business of the House be set aside for an emergency debate.

I want to stress to the hon. member and also to the public who has heard her important plea that the matter is treated with a great deal of concern and must be addressed constantly.

The hon. member on a point of order.

Ms. Black: Mr. Speaker, I am not sure if it is appropriate, but I would like to thank you for your diligence in thoroughly looking at my request. I certainly respect your response.

Mr. Speaker: I thank the hon. member for her courtesy.

GOVERNMENT ORDERS

[*Translation*]

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to consider Bill C-43, an Act respecting abortion, which a legislative committee had reported without amendment.

SPEAKER'S RULING

Mr. Speaker: There are 30 amendment motions on the Notice Paper for the report stage of Bill C-43, an Act respecting abortion.

[*English*]

These motions are in the names of the hon. members for Glengarry—Prescott-Russell, Winnipeg North, New Westminster—Burnaby, York Centre, Cape Breton—

Highlands—Canso, Bruce—Grey, Halifax West, Wetaskiwin, Kitchener, Markham—Whitchurch—Stouffville and Fraser Valley East, a total of 30 motions.

[*Translation*]

Motions Nos. 1, 21, 23 and 23A were dealt with in the legislative committee. Motions Nos. 1 and 23 were ruled out of order there.

[*English*]

In ruling Motion No. 1 out of order in committee, the chairman of the legislative committee stated the proposed amendment would go beyond the principle of the bill as it was agreed to by this House at second reading and also adds a new concept. I concur with the chairman's ruling.

Motion No. 23 was also ruled out of order in committee as it would impose a new penalty under the Criminal Code for a new infraction of the law not envisaged in the bill as read a second time. Again, I must concur with the chairman's decision in that case that this amendment would be beyond the scope of the bill. Thus the proposed motion cannot be selected here.

Motion No. 23A is similar to Motion No. 23. A variation in the wording does not, in my opinion, make this motion acceptable and thus, I cannot select it.

[*Translation*]

Motion No. 21 was moved, debated and negatived in committee. Although it contains a slight variation in its wording, it does not affect the intent of the original motion moved in committee. For these reasons, pursuant to Standing Order 114(10), I will not select Motions Nos. 1, 21, 23 or 23A for debate.

Motion No. 2 has been withdrawn.

Motion No. 3 is in order and it will be debated and voted on separately.

[*English*]

Motions No. 3A and 3B are both irreceivable as they add a new concept to the bill. These amendments by specifying an implanted fertilized ovum would appear to limit the medical procedure to only the very early stages of a pregnancy. That would render this amendment conceptually the same as other amendments which attempted to add a gestational concept. This would violate the principle of the bill.

Motions Nos. 4 and 22 are similar, both dealing with sentencing. They will be grouped for debate and a vote on Motion No. 4 will be applied to Motion No. 22.

Committees enjoy considerable power over a bill but procedural authorities are clear that there are some general limitations over which they are bound. First, a committee is bound by the decision of the House given at second reading on the principle of a bill and second, an amendment that is beyond the "scope" of a bill is out of order. For further clarification of and information about these points I would refer the House to May, twentieth edition, pages 549 and 550 and pages 555 to 558; Beauchesne's Fifth Edition, citations 763, 764, 773 and 774 cover the same ground.

Motions Nos. 4A, 7, 8, 11, 13A and 18A are thus not in order as they attempt to add new concepts to the bill. They are beyond the scope of Bill C-43. As hon. members are aware, this is not an admissible type of amendment.

[*Translation*]

Motions Nos. 5 and 6 are identical and therefore the Chair will select only Motion No. 5. It will be debated and voted on separately.

[*English*]

Motions Nos. 9, 10, 10A, 12 and 24 are all in order. However, Motions Nos. 10 and 10A are the same and the Chair will only select Motion No. 10. Motions Nos. 9 and 24 are the same essentially, as they both strip the principle from the bill. Both of these motions are in the name of the hon. member for New Westminster—Burnaby and after consultation with her the Chair has decided to select Motion No. 24. Motion No. 9 will not be put to the House.

[*Translation*]

Motions Nos. 10, 12 and 24 will be debated and voted on separately. However, the House will have to note that the question will only be put on Motion No. 24 if all other selected motions are negatived.

[*English*]

I have concerns with respect to Motion No. 13 because it seems to the Chair to be attaching a condition to the performance of an abortion where there is no medically acceptable treatment to alleviate the health risk. It seems to add a concept to the bill that was not envisaged at second reading, but I will give the hon. member the benefit of the doubt and rule Motion No. 13 in order. It will be debated and voted on separately.

[*Translation*]

Motions Nos. 14 and 15 are identical. Therefore, I shall select Motion No. 14. It will be debated and voted on separately.

[*English*]

Motions Nos. 16, 17A and 17B are in order and will be grouped for debate. An affirmative vote on Motion No. 16 obviates the need for a vote on Motions Nos. 17A and 17B. A negative vote on Motion No. 16 will require the question to be put on Motion No. 17A. An affirmative vote on Motion No. 17A will obviate the question on Motion No. 17B but a negative vote on Motion No. 17A will require the question to be put on Motion No. 17B.

• (1240)

[*Translation*]

Motions Nos. 17 and 18 have been withdrawn.

The Chair at first had doubts about the procedural acceptability of Motion No. 19 but on reflection I have decided to give the hon. member the benefit of my doubts. This motion will be debated and voted on separately.

Motion No. 20 is in order. It will be debated and voted on separately.

[*English*]

For the convenience of the House, I will recapitulate.

Motions Nos. 1, 3A, 3B, 4A, 6, 7, 8, 9, 10A, 11, 13A, 15, 18A, 21, 23 and 23A will not be selected.

Motions Nos. 2, 17 and 18 have been withdrawn.

The following motions are in order and will be debated and voted on as follows:

Motion No. 3, a separate debate and vote;

Motions Nos. 4 and 22 are grouped for debate and a vote on Motion No. 4, applies to Motion No. 22;

Motion No. 5, a separate debate and vote;

Motion No. 10, a separate debate and vote;

Motion No. 12, a separate debate and vote;

Motion No. 13, a separate debate and vote;

Motion No. 14, a separate debate and vote;

Motions Nos. 16, 17A and 17B will be grouped for debate with an affirmative vote on Motion No. 16 obviating a question on Motions Nos. 17A and 17B, but a negative vote on Motion No. 16 will require the question being put on Motion No. 17A. An affirmative vote on Motion No. 17A will obviate a question on Motion No. 17B, but a negative vote on Motion No. 17A will require the Chair to put the question on Motion No. 17B;

Motion No. 19, a separate debate and vote;

Motion No. 20, a separate debate and vote; and

Motion No. 24, a separate debate but a vote only if all of the other selected motions are negatived.

[*Translation*]

I want to thank all hon. members for their co-operation.

[*English*]

I think I should add something and that is that we have, with considerable success, had an informal way of having discussions between the table officers and hon. members when amendments are filed. This has expedited the work that has to be done. I want to thank all hon. members and the table officers for the hard work that has gone into these particular amendments.

I might also advise the House that I have personally read all the amendments and have been very much engaged in the difficult decisions that had to be made in dealing with the procedural aspects of the admissibility of some of the amendments. I hope that hon. members will bear with us in knowing that we have to apply the procedural law as it is and it takes nothing away from the importance or the thrust of the propositions which hon. members were putting forward.

Again, I thank hon. members for their co-operation.

[*Translation*]

I will now propose Motion No. 3 to the House.

BUSINESS OF THE HOUSE

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I have two points to make and I think that if you consult the House, you will find that there is unanimous consent on both of them.

First, I propose:

> That notwithstanding any Standing Order, the House meet at 1 p.m. on Monday, April 30, 1990, and that it consider Government Orders from 1 p.m. to 2 p.m.

If this motion is accepted, the government intends to call Bill C-26.

Mr. Boudria: Mr. Speaker, I just want some clarification and assurance from the government that if we agree on this motion, it is definitely understood that we will consider the above-named bill, that is, Bill C-26, and not another one, because it is exceptional to extend the hours in this way for a government order. We are prepared to do it, of course, provided that we have this assurance; if the minister is prepared to confirm that it is indeed so, all right.

Mr. Danis: That is correct, Mr. Speaker. That is the government's intention. We will call Bill C-26.

[*English*]

Mr. Angus: Mr. Speaker, I wish to indicate that we, too, have been consulted and we are in agreement with this change. I just want to point out that we are in fact giving the government one more hour of government time. I would like them to remember that down the road a bit.

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

Some Hon. Members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. Paproski): Is it agreed to call it three o'clock?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): The hon. Deputy Government House Leader.

Mr. Danis: Mr. Speaker, we have done a substantial amount of work today. I think it would be proper to call it three o'clock, if the members agree.

Mr. Angus: Mr. Speaker, I am just wondering if we might have missed a step. I am advised that we have to adjourn this particular debate before we can call it three o'clock, or am I mistaken?

The Acting Speaker (Mr. Paproski): There is no necessity to adjourn this debate.

The hon. member for Glengarry—Prescott—Russell on a point of order.

Mr. Boudria: Mr. Speaker, I am not even sure that what I want to do is a point of order, but as one who has proposed more amendments than probably anyone else, I just thought I would indicate my appreciation to the Clerk and the staff for the excellent advice that they have provided on this most sensitive issue, namely, the amendments to the abortion bill.

The Acting Speaker (Mr. Paproski): It being three o'clock, this House stands adjourned until Monday next at one o'clock p.m. pursuant to Standing Order 24(1).

The House adjourned at 12.47 p.m.

HOUSE OF COMMONS

Monday, April 30, 1990

The House met at 1 p.m.

Prayers

GOVERNMENT ORDERS

• (1310)

[*English*]

RAILWAY ACT

MEASURE TO AMEND

The House resumed from Tuesday, February 20, consideration of the motion of Mr. Lewis that Bill C-26, an act to amend the Railway Act (grain and flour subsidies), be read the second time and referred to a legislative committee; and the amendment of Ms. Clancy (p. 8227).

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I welcome the opportunity to contribute to this debate today on Bill C-26, and in particular to address the amendment by my colleague, the member for Halifax, that this bill be put over for six months and, hopefully, not returned.

Bill C-26 bears a rather inoffensive title: "An Act to amend the Railway Act (grain and flour subsidies)". However, as the agricultural community knows, and the farmers and the transportation community in Atlantic Canada in particular know, especially those involved with the ports of Halifax and Saint John, the innocuous title of the bill betrays its real purposes.

This is a bill, in fact, which purports to give *ex post* legitimacy to the elimination of a statutory subsidy, the at and east subsidy which has been in place since 1966 on the eastward movement of export grain and flour. This is a subsidy which is enshrined in the Railway Act and which was eliminated without recourse to Parliament on July 16 of last year.

Bill C-26 is an act to effectively shut down the grain terminals at Saint John and Halifax and to shut these ports out of the movement of Canadian grain and flour for export. It is an act to limit competition. It is an act to limit the alternative routes of transportation for the movement of a vital Canadian export and a vital Canadian commodity and to withdraw one more component in the web of support that is so essential to the marketing and movement of our Canadian agricultural products and the support of our agricultural community, be it in eastern Canada, central Canada or western Canada.

It is an act to penalize, through higher feed costs, our livestock producers in Nova Scotia, Prince Edward Island and New Brunswick, and to make it even more difficult for them to remain viable, to supply local markets and to generate an export surplus for the Atlantic economy to contribute to the export base of our economy. This act will result in higher feed grain costs and higher food costs for Atlantic consumers as these costs are passed on.

Bill C-26 is an act of contempt for Parliament. It is an act of contempt for the rightful role of this Chamber to debate government initiatives, in particular government initiatives arising from statutes of Parliament before these initiatives are implemented.

In this case, the deed has already been done. The at and east subsidy has been removed. On July 16, 1989, it stopped. The day Bill C-26 was read to this House, before there was ever any debate about it, the at and east subsidy, which has been in place for nearly 30 years, was cut off. Since then the subsidy payments to the rail carriers have stopped and the rail companies, CN and CP, have raised their rates correspondingly, not only to the compensatory rates which were the levels to which subsidization was provided under the at and east program, but in fact to the full commercial rates. In fact, the rail companies, in the absence of the at and east program, are charging what the traffic will bear.

We are seeing, quite predictably, that the traffic will not bear the higher rates. In Atlantic Canada the traffic has already begun to dry up. The main elevator in Saint John, which owed its existence to the at and east rates, has closed. Forty jobs at the grain elevator have gone as have another 70 person-years in the stevedoring and

railway sector, jobs which were supported by the existence of the grain terminal at Saint John.

The traffic through the elevator in Halifax has already been drastically reduced. Eighteen full-time layoffs have occurred in the elevator itself with 20 more part-time workers affected this summer. The reduction in work for stevedores and railway employees in Halifax, I am told, is in the order of the equivalent to 220 person-years. This has been the direct impact, already, of the cancellation of the at and east subsidy.

The Atlantic Provinces Transportation Commission has estimated that the negative costs of the elimination of this program, even if the Halifax port does not close, will be in the order of $14 million. It is important to specify the nature of that impact. There will be a direct job and wage impact on the grain elevators themselves. There will be additional cost pressures placed on our livestock, poultry and wheat milling sectors. The farmers and livestock producers will ultimately have to pay more for their cost of production. They will have to pass these costs on.

Ports and railways charges will also be increased and there will be layoffs and a loss in wage cost there as well. If the Halifax grain elevator is obliged to close because of a lack of grain trade through that port, the costs will almost double and that again will eliminate the competition which keeps the rates to Atlantic livestock producers down. It will allow those rates to rise and it will also eliminate Halifax and Saint John from that vital category of Canadian exports. It will remove one more alternative for getting west coast grain to market, particularly in the winter when the St. Lawrence Seaway has frozen, and it will weaken the fragile economy of Atlantic Canada in particular.

These are some of the consequences which this government has blithely ignored in ramming through, without consideration and without consultation, this measure as a consequence of the disastrous 1989 leaked budget, a budget which, as we all know, imposed tax increases and cut-backs which affected the Atlantic Canadian economy in particular and which, no doubt, helped to precipitate the crisis that is already emerging in that part of the country today.

This measure, which is a statutory measure, has been introduced without even consulting Parliament, without even consulting those interests and bodies which are directly affected, such as the Atlantic Provinces Transportation Commission, which is in a position to provide helpful advice to the government. If it could not prevent the elimination of this program, it could at least make some alternative subsidy framework available which the government could have put in place to preserve the existence of the Atlantic ports in the grain and flour handling trade.

• (1320)

The Minister of State for Transport had some rather lame and unconvincing arguments when she spoke on this bill on February 12. She claimed, as has the government, that the at and east program was merely designed to compensate for the installation of rates in the United States which would have lowered rates from Buffalo through to the port of New York which, in her words, would encourage the movement of western Canadian grain between Buffalo, New York, and the port of New York during the winter freeze-up on the Great Lakes. She said that this was the reason this was put in place and that now that our costs of shipping grain through the Great Lakes by water have been reduced relative to that of rail, there is really no need for this program.

The minister and the government ignore one very important facet which underpinned the creation of this program, that was to ensure that Atlantic ports as well as Montreal and eastern Quebec ports had an opportunity to stay in this business. In fact, then transport minister Mr. Pickersgill, speaking before the Transportation and Communications Committee in 1966, said specifically that the purpose of the at and east program was to ensure that we will have rates that will provide some inducement and incentive to shippers to use the facilities of the Atlantic ports so that Halifax and Saint John will be able to stay competitive.

The government has ignored one crucial aspect which was involved in the setting up of this particular subsidy framework for transportation. It has chosen to ignore it in order to find a ready way to hack and cut some of the budget deficit which the government itself has created.

One of the important aspects which is emerging from consideration of a whole range of government initiatives since the last election has, of course, to do with the follow up to the implementation of the free trade agreement. It is not surprising to see this subsidy go the way of so many other supports for agricultural production and marketing and to see the link between the dismantling of our support framework for agriculture and the follow-through to the free trade agreement.

We have seen time and again that this government, whether with regard to western grain farmers, pork producers or other elements of the agricultural community, has been quite willing to surrender to the vigorous and aggressive subsidization of American and European agricultural exports. While the United States is in clear contravention of Article 7041 of the free trade agreement by providing export enhancement and export subsidy programs to its agricultural producers, we in Canada have been rolling over and playing dead. We have been unilaterally disarming our farmers in the face of increasing subsidized competition by the United States and the Europeans. We are left with absolutely no room to manoeuvre when it comes down to negotiating a framework of subsidies that is fair and equitable in the North American market or in the GATT negotiations on the world scale for agricultural commodities.

Instead, this government is reducing the competitiveness of our farmers who are producing for Canadian consumption and those who are producing for export.

You cannot help but view this particular subsidy cut-back in the broader context of this government's post free trade agenda. It goes even further than that. It is a dismantling, as we have said on this side of the House time and again, of the fabric and framework that has held this country together.

The Minister of State for Transport talks about how transportation must continue to play its role as we enter the new decade and the next century. She talks about creating a transportation system which is efficient, which takes account of the intermodal competition and which will meet the needs of moving our products into the next century.

However, she ignores the history of Canada. In the creation of our transportation network, in particular our rail transportation network, the imperatives of geography were defied. While recognizing the question of efficiency, it was realized that there was a far greater objective, that being the objective of preserving the integrity of a country. The process of building that transportation network from east to west cross this country allowed for the west to be settled and built up and allowed the east to play a vital role in Confederation.

If it was not for the contribution by Sir John A. Macdonald and others at the birth of this country, we would not have a country. We all know that the simple expedient for developing a transportation network and for thereafter enabling that transportation network to do its job, to move goods and services to market and to consumers, would have been to set up trunk networks to move the goods straight down into the United States and take advantage of their much larger population and their already developed rail network.

We did not do that. We paid the price. We developed our own network parallel to that of the Americans and our forefathers realized how important it was to preserve that system. They realized how necessary it would be to continue to subsidize transportation east to west if we were not going to be absorbed through the natural north-south forces into the arms of the United States. That is an option that is always available to us and this government seems to be taking the easy way out and allowing this to occur.

That is the underpinning of the abandonment of this system. We on this side of the House recognize that from time to time we have to review the nature and design of our transportation subsidy programs to make sure that they continue to perform the role that was intended, that they do not prop up inefficient lines of production and inefficient means of transportation, but at the same time one does not simply hack the arms of the system apart without thinking, without forward planning, without examining the consequences to the users and to those consumers who are ultimately affected.

That is what this government has done with the elimination of the at and east program. That is what it has done with the cut-backs to VIA Rail. That is what it has done with the cut-backs in so many areas. The government has a hack and slash policy with no forethought. If we have to reverse the process and redesign the transportation systems and links that we have abandoned, it will cost us that much more because of the short-sightedness of this government and the short-sightedness of Bill C-26, an bill which attempts to

acquire our consent to a retroactive and short-sighted elimination of a Canadian program.

• (1330)

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise first of all to thank my colleague, the hon. member for Cape Breton Highlands—Canso), for his eloquent support of my motion in this particularly crucial matter to our region, the Atlantic region and in particular to my city of Halifax. As my hon. friend has mentioned, we have already seen the end of the grain elevator in Saint John, New Brunswick and we are witnessing the slow strangulation of the grain elevator operation in Halifax. This is an operation, I might add, that has a long tradition in our harbour city. With the concomitant loss of jobs, as my colleague has stated, this is yet another terrible blow to an already limping economy in Atlantic Canada.

I would like the member for Cape Breton Highlands—Canso to elaborate on his remarks about Canada in the post free trade era. A number of us in Atlantic Canada were less than enthusiastic about the free trade deal. I think perhaps that is why there are a number of us here on this side of the House. Where does he believe the cancellation of the at and east to fits into the scenario of a post free trade Canada.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I would like to thank my colleague, the member for Halifax, for her remarks and also for her question.

There is no question that the cancellation of at and east has to be understood in terms of the broad economic policy agenda of this government, if you can call it an agenda. What it is doing is putting the Atlantic economy even more at the mercy of the strong pull which has always existed toward the United States. One of the ironies of this particular bill is that the Atlantic Provinces Transportation Commission, in order to defend the interests of the livestock producers in Atlantic Canada in the face of the reduction in competition and the increase in costs which they will suffer as a result of this bill, have had to appeal to the government to withdraw a countervail on the importation of U.S. corn into Atlantic Canada.

They are countervailing us on everything that moves, including our pork exports and other exports for which they are harassing us at the border. Many of our agricultural products, including potatoes from Prince Edward Island, western beef, and pork are being affected. They have made it impossible for Atlantic farmers to survive and have a cost framework which allows them to compete. We have imposed countervail duties on the Americans which only hurt the farmers from another part of the country, and we have had to go begging to let the U.S. corn in. It is a telling example of how the Atlantic economy is being progressively shut off and isolated by this government. There is no question that this is part of the post free trade agenda.

Mr. Howard Crosby (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, I must say to my colleague from Cape Breton Highlands—Canso that I am a little disappointed that he would take such a regressive attitude toward a measure which was recommended by the Atlantic Provinces Transportation Commission some time ago for consideration by the government. Obviously it is a subsidy that is obsolete, based on a situation that existed some time ago. There is an obvious need for reform. I am sorry that he joins the member from Halifax who perhaps does not have sufficient background in some of these things to know some of the pertinent facts to realize that whatever else, the at and east is not accomplishing the goal which it was set out to accomplish.

Just to make sure that the member from Halifax especially knows what the at and east is all about, it was designed to allow east coast ports to compete with United States ports. They now can compete very favourably. The problem is with the competition from the St. Lawrence ports, from other Canadian ports. It is a matter entirely within Canada.

I am somewhat disappointed that the member does not recognize the facts of the situation, that the at and east is gone. It has been effectively terminated. There are no shipments now being made. Why would anybody stand in the House of Commons and move a six-month hoist? The at and east is already history. What members have to do is work positively toward some off-sets to accomplish the ends that need to be accomplished.

Has the hon. member talked to the Atlantic Provinces Transportation Commission? Does he endorse their suggestion for off-sets to the elimination of the at and east rate? Perhaps we can move positively in this direction once this bill is passed. If we simply object to the passage of the bill then we are in suspense. We do not know what is going to happen. I would ask the hon. member to put his mind to the future so that we can resolve some of the problems, rather than continue to pour money into the Canadian National Railway.

Why do members opposite want to continue to pour money into the Canadian National Railway company when they have the opportunity to help the farmers, to help the grain elevator operators and a host of other people?

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, first of all, for the hon. member's edification, I spoke with the Atlantic Provinces Transportation Commission this morning on this bill.

It is certainly not my understanding that they are supporting the elimination of the at and east program prior to their even being consulted about their proposal. They were complaining that they had made useful suggestions to the government, and they never even got an answer. They did not even get the courtesy of a substantive reply from the Minister of Agriculture and the Deputy Prime Minister.

The member suggests that we take a more positive attitude and that we go forward because this has been eliminated and we should accept it. I beg to differ. This bill is before the House of Commons. For the government to have the arrogance to eliminate a statutory subsidy before it is introduced in Parliament is a complete contempt of Parliament. There is just no way that we on this side of the House are going to abide by the kind of action that rides roughshod over the rights of all the members in this House.

If we were to apply that logic, perhaps we should concede to the passage of the goods and services tax, which 80 per cent of Canadians oppose vigorously and which we have opposed and will continue to oppose vigorously.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I just want to congratulate my colleague from Cape Breton—Highlands—Canso for an excellent speech.

Does he see in Bill C-26 an intent by the government to set up certain targets in its deficit reduction, particularly Atlantic Canadians? There seems to be a target set on the elderly, the unemployed, students, veterans, those who require child care, farmers and indeed, fishing people. Does he agree that these are the people who should be hit the hardest? Are these people able to manage some of those reduction measures?

• (1340)

The Acting Speaker (Mr. Paproski): The hon. member for Restigouche has asked quite a few questions, and you have a minute to try to rebut, or answer.

Mr. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I will be brief. Essentially, this bill targets the agricultural community in Atlantic Canada, which is going to be facing higher costs as a consequence of this measure and will have to pass those costs on or will be in even more difficulty *vis-à-vis* other parts of the country, than it already is. That is one community which is threatened. It also says that when it comes to moving grain for export or being involved in this activity, Atlantic Canadians do not have a role to play. It is pitting one part of the country against the other and, as is so often the case, it is Atlantic Canada that is coming up the loser.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. The hon. member for Regina—Lumsden. Before he begins his speech, I would like to take this opportunity to congratulate him on his sixty-fifth birthday and, of course, his 23 years in Parliament.

Some hon. members: Hear, hear!

Mr. Les Benjamin (Regina—Lumsden): Thank you very much, Mr. Speaker, and—do not start counting my time yet. I appreciate your remarks, Mr. Speaker, and the reaction of my colleagues. I know I do not look it, act it, or feel it, but I am. The only problem is that I have spent all my working life earning that old age pension which starts tomorrow, and the Minister of Finance is going to claw it back. However, that is another fight.

For over a century Canada has had a system of transportation assistance programs that took into account our geography, our distances, our climate and where our people who produced agricultural products were located. Hence, we had the statutory grain rates in western Canada, we had the bridge rates in northern Ontario, the Maritime Freight Assistance Act, Atlantic

Provinces Freight Assistance Act, and the at and east rates.

These rates were designed, to use the stupid phrase of the government about the free trade deal, to make a level playing field for agricultural producers in Canada. Australia and New Zealand producers have an average grain haul of about 200 miles to salt water. The European Economic Community has about 300 or 400 miles and a massive inland water system to move it all. This is similar to the United States that has a massive inland water system, including a canal that is over 100 miles long from Galveston, Texas, which is used to haul grain. So these transportation assistance programs were designed to allow Canadian producers to get their production into export position on a relatively equitable basis with competing countries. Since 1981 we have had nothing but a continuous erosion of those programs.

The value and relevancy of the at and east freight rates are as valid today as they were when they were first started. This is but another kick in the head for western grain producers and for the cities of Saint John and Halifax. Let me show you how, starting on April 1 of last year, for the next three fiscal years agricultural producers right across the country will pay $1,677 million more in increased costs because of cancelled assistance by the federal government and lost programs such as the at and east freight rates.

The branch line rehabilitation program has been wiped out. We have 2,000 miles of track out in the west that has to be fixed up and finished; there are commodity-based loans, such as the $7 million to the Canadian Dairy Commission. For crop insurance it was $90 million for last year and an additional $110 million for the current year that farmers are going to have to pay.

Western grain producers are going to have to pay an additional $27 million for interest rates on cash advances. The western grain stabilization producer levy increases about $91 million each year for those three years. Transfers to the system improvement railway reserve fund and the two-price wheat system, which by the way, did not cost the government a nickel, made the consumers of grain to produce cereals, bread and confections pay a higher price for grain consumed in Canada. It did not cost the government anything and then what did the government do?

They cancelled the two-price system, which had meant $200 million a year to western grain producers in a good average crop year. Last year it was not nearly that because of the crop failure. It was not costing the government or the taxpayers anything. They said the milling and the baking industry was being hurt. That is baloney. They took off the higher price for domestically-consumed grain. Have the prices of confectioneries and bread gone down? They have like hell. That same baking, confectionery and milling industry that this was designed to help, supposedly, has kept its prices the same or higher and kept the money, instead of it going to grain producers.

I listen to the hon. member for Halifax get up with inane questions. He wouldn't know a bushel of wheat if it hit him in the face. I would also like to say—

Mr. Crosby: What do you know about pork?

Mr. Benjamin: What is in jeopardy, in the grain terminals in both Saint John and Halifax and Dover flour mills, will be several hundred jobs. There will be a further reduction in our capacity to export milling grain and flour. It has got to the point that with the loss of this program, the agricultural producers in the Atlantic provinces are now looking at and asking for the same kind of exemption as they get in British Columbia on bringing U.S. corn in for feed. They are also looking at bringing in feed, oats, barley and wheat from western Europe. They can do it cheaper than paying the full cost of transportation from western Canada. That is a betrayal of the hon. member's own province and his own city.

When you see the spectacle of a country like ours which produces the best grain in the world forcing its livestock producers in Atlantic Canada to consider bringing in corn from the U.S. and feed grain from western Europe, there is something terribly wrong. There is another point I want to make about the subsidies. The European Economic Community subsidizes their grain producers, for export out of the EEC, anywhere from $20 to $30 a tonne and the Americans, under their Export Enhancement Program, anywhere from $12 to $18 a tonne. At least the European Economic Community does it honestly. They do not take any tax revenue for the subsidies on grain out of the EEC. They have something like the goods and services tax. It is called the value added tax which is why consumer prices at wholesale and retail levels in Europe are much higher than

they are in Canada. That value added tax in the European community is what pays for the subsidies that the community allows on grain that they export. This is why they have been biting into the markets of the Canadian Wheat Board. The export enhancement program of the United States is a direct payment out of their tax revenue.

• (1350)

The government says it cannot compete with the treasury of the United States and the European Economic Community. We know that. We know that it cannot have programs anywhere near what those two groups have. But why does it expect individual grain producers, our flour mills, our grain handling facilities to compete with the treasuries of the European community and the United States?

The other thing that needs to be said about this legislation is that the government has enforced its effectiveness as of last July. In other words, they have implemented the legislation long before it was ever dealt with by this Parliament. That is an attack on and an insult to the institution of Parliament.

My colleague from Moose Jaw—Lake Centre raised a point of order. The Speaker ruled that he could not rule out what the government is doing on procedural grounds. He said it may well be that the hon. member from Moose Jaw—Lake Centre may have to use some other available institution, which means going to court. Neither he nor I have the money for that.

We are hoping that some people in Atlantic Canada will rear up on their hind legs—

Ms. Clancy: We have been.

Mr. Benjamin: —on constitutional grounds alone, to see the spectacle of the government of the day enforcing a law that has not been dealt with by Parliament. What the hell is Parliament here for?

Ms. Clancy: Exactly.

Mr. Benjamin: Are we going to just let the cabinet by Order in Council run the whole country and make all the laws? When the Liberal government tried this in 1981 with the repeal of the Temporary Wheat Reserves Act, they owed the Canadian Wheat board $96 million. We took them to Federal Court in Regina and they lost. We won $96 million, plus interest, for our western grain producers because they made the damn bill retroactive for 18 months.

I do not understand why every member of Parliament from Atlantic Canada isn't up on his hind legs and raising hell about this.

Ms. Clancy: We are. You haven't been paying attention, Les.

Mr. Benjamin: I said every member. All of them aren't. When you listen to what I call the inane question of the hon. member for Halifax—

Ms. Clancy: Halifax West.

Mr. Benjamin: —Halifax West, you know, with friends like that who needs enemies.

The people in Saint John have told us that it looks like the grain terminal there will have to close. One of the reasons poultry and livestock producers in Atlantic Canada are looking at bringing in feed and grain from the U.S. and western Europe is because they need the terminals in Saint John and Halifax to store feed grain.

Mr. Crosby: Get serious. Saint John.

Mr. Benjamin: Mr. Speaker, we have heard from witnesses and the mail we have had tells us that they bring in a large bulk quantity, store it, and then haul it out by truck to farmers, livestock producers, and poultry producers. If you close down the grain terminal you reduce their capacity to be able to do that.

When you look at the total picture of the financial responsibilities of the government of Canada, the loss of payments for 1988 was $32 million and they still owed $3.3 million, so that is $35.5 million. That is no big deal in a budget of over $30 billion. What is more worrying is that while they might think they are saving that amount of money, the costs that have to be taken over by grain producers, livestock producers, the owners of the flour mill and the grain terminals in Halifax and Saint John, several hundred employees and those communities, will only take a very few short years to far exceed any so-called savings with the cancellation of this program.

There has been a continuing effort by governments which started in 1981, when I got a cabinet document in a plain brown envelope in which the then Liberal govern-

ment of the day outlined a long-term policy to get the national government out from under every transportation assistance program. Their main claim to infamy was the destruction of the statutory grain rates, and grain producers are going to get hit every year with higher freight costs because of that.

At a time when grain prices are going down and when we are having our most serious difficulties with the United States and the European Economic Community, surely is not a time to be making our grain producers pay more to reduce the capacity and effectiveness of our grain handling and flour milling systems to compete in a relative degree of equity with other countries.

If there is any one thing that I cannot understand, it is why this government, and previous ones, have continually resorted to attacking our primary producers for every nickel this federal government has sent out to western grain and agriculture producers across Canada. It has hit them with higher taxes, higher prices or higher costs that are in excess of any assistance sent by this government to agricultural producers.

I have already illustrated that over three years, the last fiscal year, this one and the next one, those increased costs and levies will amount to $1.677 billion on agricultural producers and their infrastructure which depends on them. That is not what you could call sound business practices. That is not what you could call treating the whole country fairly. It would be nice if we could produce all our grain in Atlantic Canada and British Columbia. We would not have to worry about the kinds of costs that we are faced with out west.

I do not know how many times I have had to get up in this Chamber and talk on this subject since 1968. I do not know what one has to do to get the government members to reconsider and change their minds. If they would even do it once on some of these programs it would be a nice change. It would be refreshing.

All I can do on behalf of my party is appeal to the government to reconsider and withdraw this bill. If it insists on going through with it, will it do what is asked for as a compromise, a last resort, by people in Atlantic Canada to make sure that they do not have to pay any more freight rates than they do up as far as Montreal?

The Acting Speaker (Mr. Paproski): The hon. member's time has expired. He will have 10 minutes for his questions and comments, should we continue this debate after three o'clock.

It being two o'clock, the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

WOMEN'S CENTRES

Ms. Mary Clancy (Halifax): Mr. Speaker, the women of Canada are still waiting for action from this government. The destruction of core funding for women's centres has been a cruel blow. Women who work to assist other women through these centres have lost all sense of security. They do not know whether their rent will be paid, whether their heat will be paid, or whether they will have light to do their work by. This government has abdicated its responsibility and left thousands of women without crucial services.

The Secretary of State has met with many of these groups, and so has the Minister responsible for the Status of Women, but weeks have passed and nothing has changed.

The lot of women in this country is not improving. In every area we see barriers, inequities and blatant discrimination.

Pious words do not create a climate of equality. So-called sympathy and understanding will not keep the doors of these centres open.

Core funding must be restored. Canadian women deserve these services, and the government has a duty to provide them. Fifty-two per cent of the population will not accept vague promises. They want action, and they want it now.

* * *

FISHERIES

Mr. Peter L. McCreath (South Shore): Mr. Speaker, the recent ruling by the free trade panel on the American legislation restricting the import of what the Americans consider to be undersized lobsters potentially undermines the credibility of the redress process of the FTA itself.

I commend the American government and the fishing industry for their discovery of the need for conservationist measures in the lobster industry. Indeed, changing the carapace to the higher standard makes sense for the Canadian industry as well. Indeed, it is a measure supported by many Canadian fishermen.

However, few Maritimers interested in the lobster industry see the American action as anything but what it is, namely, a trade distorting action impacting at a time when there is an over-supply of lobsters on both sides of the border, and when lobster prices have dropped to record lows.

On the basis of recent history, the U.S. is hardly in a position to provide lessons in conservation to the Canadian fishing industry.

I urge the government to respond to the interim panel ruling by indicating that it is simply unacceptable.

* * *

SOVIET JEWRY

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, I rise today in this House to raise an issue of international importance. Pursuant to a meeting I had with the Emergency Action Committee for Soviet Jewry, I am extremely concerned about the issues that were raised relating to the state of Jews in the Soviet Union.

Their concerns were consistent with the well-documented cover story of the April 16, 1990, edition of *Maclean's* magazine. According to the report, anti-Semitism is on the rise in the Soviet Union.

The increased and repeated vandalism of Jewish businesses, synagogues and cemeteries in Moscow and Leningrad, widespread rumours of a pogrom—an organized massacre of Jews, allegedly planned for Moscow and Leningrad on May 5, 1990, is of grave concern to me, to the Jewish community and, I am sure, to all Canadians.

I urge this government to exercise international leadership on this issue in order to protect the lives of Jews residing in the Soviet Union.

[*Translation*]

BILL C-21

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, it is my duty to rise in the House and ask my colleagues in the other place to pass Bill C-21 without further delay.

When will the Senate release the funds that will give all Canadians a chance at better training and better jobs?

The Labour Force Development Strategy announced by our government a year ago will make it possible for over 60,000 welfare recipients to stand on their own two feet and get jobs, thanks to training. By its actions, the Senate is showing its complete indifference to what happens to these people. The strategy will help communities plagued by serious economic problems to make a fresh start, diversify their economies and train their residents. The Senate has decided to ignore them as well.

Nearly $100 million will be earmarked for training for older workers who also want to contribute to our economy. We must not rob them of this opportunity. Young people who have dropped out of high school or have trouble staying on the labour market will have access to basic training programs. Does the Senate want to ignore them as well? How long will it take the Senate to show it supports Canada's workers?

* * *

[*English*]

NORTHERN BENEFITS

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, on October 27, the task force report on the northern and remote tax allowance was released. Northerners and people involved rejected the recommendations of that task force.

In replies to petitions and questions on the Order Paper, the Minister of Finance said he would decide quickly on the allowance.

Northerners hope the minister's delay means he is rejecting the task force report and developing a new community-by-community approach.

In any case, according to departmental officials, there is no timetable for a decision. My colleagues in the New

Democrats' northern caucus call on the minister to act now to bring in a fair and positive decision on the northern tax.

* * *

[*Translation*]

RURAL POST OFFICES

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, as the Conservative government closes down rural post offices, allegedly to reduce the deficit, this will have a very serious impact on rural communities across Canada. These post offices provide a reliable service and invaluable employment opportunities. They are often the only federal presence in a small community.

Last week, in a committee report on mail delivery, the government proposed either closing or privatizing all rural postal offices in Canada.

[*English*]

The result of this ill-conceived measure would be the laying off of 10,000 people—80 per cent of whom are women. This would represent the largest lay off of women in Canadian history.

The Liberal party firmly believes that postal service is an essential public service which must be equitably provided to both urban and rural residents. We also believe that it is in the public interest to put the highest priority on providing quality service ahead of any government deficit reduction strategy.

The federal government must reconsider its plans to privatize and close rural post offices in order to ensure the continued existence of this important link between the federal government and rural communities.

* * *

[*Translation*]

REMARKS MADE IN HALIFAX BY THE MEMBER FOR YORK SOUTH—WESTON

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, a number of my constituents, all residents of Abitibi, have asked me to speak in the House with respect to what was said recently in Halifax by the Liberal Member for York South—Weston.

In May 1980, a referendum was held in Quebec. Today we all know that in our Quebec caucus, some federal members voted no and others voted yes.

An hon. member: That's true.

Mr. Saint-Julien: The same applies to the Liberal government in Quebec, where some members and ministers voted yes, others no.

An hon. member: Exactly.

Mr. Saint-Julien: Like the Liberal member from Toronto, I would like to refer to the dictionary, in this case *le Petit Robert*, in which 27 words separate "dépraver" from "député", and I would like to say to the hon. member that he "depraves" both the Quebec National Assembly and the Parliament of Canada.

* * *

[*English*]

MEECH LAKE ACCORD

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, as a proud Canadian I rise in the House of Commons this afternoon to support the Meech Lake Constitutional Accord process.

Three years ago the Prime Minister and the provincial premiers agreed to an accord to chart the future of Canada.

The Premier of Alberta, the Hon. Don Getty, demonstrated leadership and statesmanship in helping to draft the agreement, and has been a strong supporter of the accord.

The people of Alberta, and the constituents of St. Albert riding, want a united Canada, a stable Canada that will ensure economic growth, employment and prosperity for Canadians.

Albertans believe in Canada—a united Canada. Canada has tremendous resources, the greatest of which is our people—talented, skilled and industrious.

As Canadians let us not dwell on our differences, but rather highlight what we have in common. Let us replace confrontations with consideration, tolerance and understanding.

The recommendations of the Meech Lake committee will be vital to the future of our country. Canadians working together will find a solution—a united Canada.

SAULT STE. MARIE LOCK

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, the Canadian lock at Sault, Canada, has been down for over two years. The total cost of rehabilitation or restoration could be $7 million to $35 million.

The Canadian government says: "We will give you $5 million, privatize the lock and the City of Sault Ste. Marie should take full responsibility for the future operation of the lock". We cannot disregard this option entirely, but I want to point out that in an official letter from the American State Department it is stated:

> Under such an occurrence, we believe that the U.S.A. and Canada should jointly consider remedial actions, including a sharing of the costs for the continuation of navigation at Sault Ste. Marie.

• (1410)

If this were implemented, a new super lock in Sault Ste. Marie, Michigan, will cost $260 million. Our share at 30 per cent of the traffic would be $75 million. Canadian tax dollars would go to operating an American lock.

I ask the Minister of the Environment, the minister responsible for the Canadian lock, to approach, as I will, the Secretary of State for External Affairs to reconsider the Canadian position on this vital, nationalistic issue.

We require more dollars to ensure the operation of a Canadian lock, not an American lock.

* * *

THE ECONOMY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, the problem with inflation continues to be one of the fundamental challenges to our future economic growth and well-being. It must be reduced for us to have sustainable lower interest rates, higher productivity and the elimination of distortions caused by price instability.

One piece of the puzzle which I strongly feel needs more investigation is the question of price points. While we continue to control spending and pursue a tight monetary policy, one must ask why, in the wake of the competitive environment created by the free trade agreement, we have not seen more downward movement on prices.

This absence is already having a profound impact on our border communities, such as Sarnia—Lambton.

The answer to this question could not only help stabilize prices, but also lower consumer prices. Coupled with spending restraint this could help reduce the burden on monetary policy of fighting inflation through higher interest rates.

It is my hope that price points will be one area to which the government will be attributing more attention in its pursuit of non-inflationary economic growth for this country.

* * *

GEORGE PRICE

Mr. Maurice Foster (Algoma): Mr. Speaker, today is the last day that George Price will serve as the agriculture and natural resources reporter for the Canadian Broadcasting Corporation on Parliament Hill.

He has served in this post for 23 years, and previously for eight years with the corporation. He started in private radio reporting on agriculture in Saskatchewan in the mid-1940s and has completed some 43 years of agriculture reporting—a splendid achievement for any career.

Today, I want to pay tribute to the contribution of George Price to agriculture over the years. He has reported on this turbulent industry in a balanced and fair way. His reports span the breadth and scope of agriculture and resource industries all across Canada. His efforts are applauded by farm groups and individual farmers from sea to sea. It is a pity that the CBC did not show its appreciation for his loyal service by retaining this position rather than by cancelling it in such an insensitive way.

The members of this House, I am sure, join me in extending our appreciation to him and wish him well in his retirement years.

Some hon. members: Hear, hear!

* * *

OLDER WORKERS

Mr. John E. Cole (York—Simcoe): Mr. Speaker, in a recent article in *The Toronto Star* journalist Carol Goar

rightly drew attention to the special barriers facing older workers who have lost jobs or whose jobs are radically changing.

Older workers, perhaps more than any others, can find themselves facing insurmountable difficulties in adjusting to technological and other change, and many are in need of more government assistance.

The federal government's Labour Force Development Strategy is one measure that can help older workers, and provides in the order of $100 million for new training and adjustment programs tailored to their needs.

I urge all hon. members to fight for that assistance and to help convince the other place that Canada's older workers need the new programs that depend on passage of Bill C-21.

* * *

INCOME TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, today is the last day for about 18 million Canadians to file their income tax returns for last year. After agonizing over their tax returns, most of them are wondering why their taxes have increased while the richest 1 per cent of Canadians had a tax cut averaging $3,570.

While hundreds of thousands line up at food banks every week, they are wondering why the government allows certain Canadians to deduct the cost of their martini and caviar lunches.

While low and middle income families struggle with their mortgage payments to stay out of homelessness, they are wondering why the government continues to allow billions in capital gains to go untaxed.

The 18 million taxpayers are wondering why businesses can deduct the expense of having accountants calculate their tax while ordinary Canadians cannot. They also wonder why thousands of profitable corporations still do not pay any income tax year after year.

Canadians are wondering why this government is bankrupting the nation with its high interest rate policies which cannot but lead to high income taxes in the future.

The answer is clear. This government is itself bankrupt of any ideas for running our economy, save one—give to the privileged and make the poor pay.

CANADA POST

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, the Standing Committee on Consumer and Corporate Affairs and Government Operations is recommending that Canada Post be sold to the private sector. Privatizing Canada Post is the last thing that this government should be thinking of, unless of course it wants to continue to alienate the regions of this country.

In my riding, more and more post offices are being closed in favour of contracting out services to retail outlets. Constituents living in rural communities view the post office as part of the Canadian identity. If Canada Post is sold, that identity will be lost.

My constituents do not agree with the recommendations of the committee. In fact, over the weekend, I was told repeatedly that they support the recommendations of the Liberal minority report. They told me to tell the government to leave Canada Post alone.

Canadians want to keep their rural post offices. They want door-to-door delivery in all areas within an urban community, and they want to continue to identify the post office as a symbol of being Canadian.

It is clear that the Conservative government continues to make decisions which are not reflective of the aspirations of Canadians living in the regions. It is clear that this government's days are numbered.

* * *

THE ENVIRONMENT

Mr. John A. MacDougall (Timiskaming): Mr. Speaker, there were more dark days for the residents of Timiskaming last week—more dark days for resource-based regions and rural Canadians.

After three years of hard lobbying the environmentalists have finally succeeded in closing down Temagami's sawmill.

With the closure announcement 80 employees have had their livelihoods stripped from them, and over 100 families are directly affected and the communities of Temagami and Latchford have been delivered another fatal blow.

I cannot relate to you, Mr. Speaker, the hurt that has been felt by the residents of the area. Those people who want to hug trees, dip a paddle and take pictures of birds have won the battle. They are not having to take the opportunity to learn about the problems that they have left to us—rents and property values, careers and livelihoods, future opportunities for our children.

It is about time urbanites who want to control the rural parts of our country take responsibility for the socio-economic destruction that they are causing.

They want us to board up our windows and move to the cities. They want us to stop living off the land and start living off UI and welfare lines. That is exactly what they are doing to us today.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, as a volunteer for my campaign, the Minister of Finance, just suggested I should say the bland is strong. I should perhaps ask the press to treat all my questions as being off the record.

My question is for the Minister of Finance. On Friday in his answer to my questions about the recent dramatic growth in bankruptcies, he said:

> It is not unusual at this stage of economic development in the business cycle for the level of business bankruptcies to increase.

I would like to ask the minister just what stage in the business cycle he is talking about. Is he finally admitting that his disastrous mix of economic policies is pushing this country into the next stage of the business cycle, a full-blown recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, without breaking the confidences of last Saturday night I would like to congratulate the Leader of the Opposition in the kick-off to his campaign, but I would caution him not to get overly excited after one good speech. He has a long way to go until June 22.

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the Leader of the Opposition has made reference to the remarks that I made last Friday in response to his question. What I was pointing out was that Canadian business bankruptcies at their peak in 1982 were 1.28 per cent of the total number of business establishments in the country. In 1988-89, that level of bankruptcy incidence is down less than half of that to .59 per cent in both 1988 and 1989.

I am just pointing out the fact that as an economy has to slow down, which is the normal course of business cycles, one would expect that that .59 would increase somewhat, but certainly not to the extraordinary levels that were achieved in 1982 under the government of which he was a member.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, today Statistics Canada, the government's own statistical agency, released figures showing that the Canadian economy shrank for two successive months this year, in both January and February. That is before taking into account the negative effects on the economy of the most recent increases in interest rates.

• (1420)

If the minister says his policies are not pushing this country into a recession, why have we had two successive months of a weakening economy? How many more months of economic decline, of lost jobs and closed businesses will it take before the minister drops his high interest rate blueprint for a government-made recession? Surely what has happened so far should be enough for him.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I point out to the Leader of the Opposition that during those same two months of January and February we had a total job creation of 64,000 people.

Mr. Crawford: Where?

Mr. Wilson (Etobicoke Centre): The hon. member back there asks where. In Canada, right across this country we have seen 64,000 jobs created.

The only point that I am making is that I acknowledged in my last budget that we expected to have a slowdown in the economy this year. We expected that in the first half of this year. So there are no surprises here.

Going back to my remarks on Friday, when an economy has been operating as quickly as it has over the course

of the last four or five years, one does expect that there will be some slowdown, and that is being reflected in the statistics that we have seen today.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Minister of Finance just admitted that the present slowdown in the economy was in fact created by this government's economic policies.

As I said earlier, Mr. Speaker, today Statistics Canada tells us that the Gross Domestic Product went down, at this stage in the economic cycle, during January and February. It says the manufacturing sector is already experiencing a recession and that housing starts in the construction industry are down. Why won't the minister admit that, at this stage in the economic cycle, the time has come to reduce interest rates before the whole economy is in a recession?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, again I caution the Leader of the Opposition from zeroing in on one or other of the specific economic indicators. It is important to look at the total picture in the economy, and we are still seeing signs of inflationary pressures today.

I also point out to my friend what I said on a number of occasions last week in the House. When a government is looking at the development of economic policy, alternatives have to be considered. The alternatives that we have had to consider in previous times, such as was considered by the government of the day in the 1970's, underestimated the importance of inflation.

We are not going to fall into that same trap again this time. If we do so, we risk going back into the same trap that we saw in 1981–82 when inflation hit 13 per cent, and when the level of interest rates was in excess of 20 per cent. That clearly led to the disastrous recession of the 1981–82 period.

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INDIAN AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Right Hon. Secretary of State for External Affairs. It concerns the Mohawk community of Akwesasne.

As the minister will know, living conditions on Akwesasne have become so dangerous and so bad that last Friday and Saturday several hundred residents of the village of St. Regis in Akwesasne had to be evacuated by barge across the St. Lawrence River to Cornwall, Ontario.

Can the minister tell this House if he has had any success in convincing the American authorities to take the necessary actions to disarm the so-called warrior society operating on the U.S. side of the border?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I not only thank the hon. member for his question but I thank him for the very constructive way in which he has approached a crisis situation affecting constituents of his. It is as well of concern to all members of the House.

I have been in touch with the Secretary of State of the United States, Mr. Baker. I have told him that we have a situation that we regard as being one of near anarchy, that in our view the great majority of the source of the problem is on the American side, and have asked him to urge response by American authorities, including, particularly, authorities of the Government of New York.

I have not yet received a reply from Mr. Baker, although I understand that one is in the mail. I have some confidence that the Americans will treat this matter with the seriousness that we do.

I can report to the member that there is occurring today a meeting of police authorities from both sides of the border, all the relevant agencies, to ensure that there is a co-ordinated police approach to the crisis to which he refers.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to thank the minister for his response.

As the minister will know, over the weekend the Chief of the Assembly of First Nations, Chief George Erasmus, has formally requested that the U.S. National Guard be called in to restore law and order on the U.S. side.

Given that statement, I want to ask the Secretary of State for External Affairs if he has personally contacted, or if he will, contact Governor Mario Cuomo of New York and impress upon him the urgency of this issue?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, officials of my department through the Consulate General in New York have been

in touch with Governor Cuomo's office to demonstrate precisely the concern that we express.

I obviously cannot comment on Mr. Erasmus' statement, except to say that it underlines the concern held by individual Canadians and by governments here about the situation.

Our determination is to play our role in bringing it to a peaceful resolution. Our expectation is that the Americans, both on a state and a national level, will also play an effective role to resolve this situation as quickly and as peacefully as possible.

* * *

THE ECONOMY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Finance.

The Minister of Labour is quoted over the weekend as having said: Canadians are really much better off. They take vacations. Restaurants are full on the weekends, and they drive cars. The facts indicate something quite different.

Today, Statistics Canada reports that the Gross Domestic Product has declined for the second straight month. Bankruptcies were worse last month than they were in the worst month in 1982, during a recession.

Will the Minister of Finance and his government finally pay attention to the real economic indicators: lower the interest rates and scrap the GST?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think I have made it very clear in answers to the Leader of the New Democratic Party and the House last week why we are following the policies that we are following. It is very easy for members opposite to make these comments here. On this side of the House we have to deal with the issues. We have to deal with the policy prescription.

If I might draw her attention to an article by Norman Webster recently, the former NDP Leader of Saskatchewan, Allan Blakeney, is quoted as having said: "I have written to Audrey McLaughlin asking her how she proposes to deal with the deficit, and she has not replied".

We have to reply. That is the job that we have as government. We do not have the luxury that the hon. member for Yukon has of ignoring these problems. We are not going to ignore the problems. We are going to deal with them, as we have dealt with them in recent years. The results are better economic performance, one of the best in the world today.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, since the Minister of Finance does not wish to take my opinion, I would like to point out to him the opinion of the Canadian Real Estate Association which says that the minister should curtail the interest rates before he brings the country down.

A Wood Gundy senior economist says that the interest rates are driving the economy into a serious recession.

The Canadian Exporters Association says that the current monetary policy is one-minded, amounts to overkill and is proving disastrous for Canadian exports.

I ask the minister again: When will the government respond to the mounting evidence that this interest rate policy is increasing, not decreasing inflation?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if the hon. member is saying that our interest rate policy is increasing inflation, then she sadly misunderstands the role of interest rates and the role of central bank policy in dealing with inflation through the means of keeping interest rates high.

• (1430)

I draw to her attention that during the course of last year there was a very substantial increase in bank credit ranging from the 10 to 12 per cent range for businesses to the 15 to 20 per cent range for mortgages.

When the economy is growing at 7 per cent, if we were to decrease interest rates, that increase in bank credit would be much more substantial than it was. That would lead clearly to more inflation, clearly to the problems that we are trying to avoid, the similar type of problems that led to the recession of 1981–82. That is the policy of the government. We have to deal with these pressures today and we are determined to do so.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): I have a supplementary question for the minister, Mr. Speaker.

Figures released this morning show that the cost of living is rising faster than wages. When he tabled his budget, the minister of Finance had said that wages must remain stable to fight inflation.

How can the minister justify maintaining this policy? It isn't working!

[*English*]

Hon. Michael Wilson (Minister of Finance): I am not quite sure that I follow the question the Leader of the New Democratic Party has posed.

Mr. Simmons: You are not alone.

Mr. Wilson (Etobicoke Centre): Liberal members agree with me. They do not understand the question either. Maybe she would like to rephrase it.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, when he tabled his budget, the minister of Finance had said that wages must remain stable to fight inflation.

How can the minister justify maintaining this wage control policy? Because, of course, when the cost of living increases, wages must also increase.

[*English*]

Mr. Wilson (Etobicoke Centre): Mr. Speaker, I think my puzzlement came from the fact that wages and salaries have been increasing quite significantly in recent months. We have also seen an increase in unit labour costs which last year averaged 6.3 per cent during the course of the year, but throughout the year increased every quarter, ending at 6.9 per cent. This is one of a range of inflationary pressures that we are looking at. We do not look at just one indicator. We look at the range of pressures that are in the economy. Once we see those pressures subsiding, then we will be able to get interest rates down.

I have made that statement very clearly over the last few months. Until we see the pressures subsiding, it would be wrong for us to move too soon.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Finance. This past Friday, the Finance Minister of Nova Scotia, in tabling his budget, announced a number of regressive tax increases which he said were necessary because of the loss of over $61 million in federal transfers.

Will the minister now finally admit that his number one plan for dealing with his government's own fiscal mismanagement is to simply transfer the federal deficit on to the backs of the poorest provinces of this Confederation?

Hon. Michael Wilson (Minister of Finance): My friend from Dartmouth is saying that for the $61 million change in the transfers to the provinces, the province of Nova Scotia had to increase taxes $150 million, so clearly there is an inconsistency in the figures.

However, I want to point out to my friend that we have a national problem; it is called the deficit. We have had to ask the provinces to participate in solving this problem and that is what the budget in part did.

While we have reduced the growth in transfers to the provinces, the growth for the province of Nova Scotia will be 3.9 per cent this year and 4.3 per cent next year. The program spending of the Government of Canada, that is on everything but interest costs for this current year, is an increase of 3 per cent. So we are not asking the province of Nova Scotia to do anything more than we are prepared to do ourselves.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary is for the same minister. Two weeks ago it was P.E.I. that got nailed for $13.5 million and last Friday Nova Scotians were asked to swallow $61 million.

I want to ask the Minister of Finance the same question that I asked the Prime Minister two weeks ago. What actions are his government prepared to take to offset this very serious loss of revenue to the coffers of the poorest provinces of this Confederation, especially at the very time when his own high interest rate, high dollar policies are pushing Atlantic Canada over the brink of recession?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if my friend will look at the range of measures as to how we have been treating the provinces, I think he will see that we have done so in a fair way. I indicated that the province of Nova Scotia transfer increased 3.9 per cent in this current year. For the province of Ontario, it is 2.25 per cent, for the provinces of Alberta and B.C., it is about 2.5 per cent. We are treating the provinces in an equitable way, recognizing the financial strength that they do have.

I also say to the hon. member that the federal government is spending 35 cents out of every revenue dollar on its interest costs. For the province of Nova

Scotia, I think something like 16 or 18 cents of every revenue dollar is spent on interest costs. That is one reason why we felt it is important that the provinces share in the solution to dealing with the national deficit, and that is the presentation that we made in this last budget.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is for the Minister of Finance. Bankruptcies in Ontario and Quebec increased 29 per cent over the first quarter of last year. In Atlantic Canada in the first three months of this year, the increase is 60 per cent over the same period last year. Atlantic Canadians are paying the price in spades for the government's high interest rate policy and the government's insensitivity.

What is it going to take to make this government stop its ruthless assault on the lives and businesses of Atlantic Canadians?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member makes it sound as if we are deliberately going out to cause businesses to go bankrupt. That is not true. There is no sense in that being left in the minds of Canadians.

I do not take any pleasure in seeing companies go bankrupt. I do not take pleasure in seeing an individual go bankrupt. But I do know that if we do not follow the policies that we are following and ensure that we get this inflation problem under control, the number of bankruptcies will be considerably higher in future years.

If we let inflation go out of control, we will get right back to where we were in 1982. I remind you, Mr. Speaker, of the figures that I used with the Leader of the Opposition. Bankruptcies then were 1.28 per cent of total businesses. In the last two years, they have been .59 per cent, about half as high.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I can assure the Hon. Minister of Finance that Atlantic Canadians do not enjoy seeing their economy disintegrate.

What is the Minister of Finance going to do to help Atlantic Canadians who are now enduring the pain of bankruptcies? Is he going to tell them to get a job in the fishery, to look at the classifieds in the *Micmac News*, or take a train to central Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the hon. member understands that we have to have a national monetary policy. We cannot have a monetary policy that is different in Nova Scotia than Ontario, and different in Ontario than it is in British Columbia.

What we have done and continue to do is provide offsets through fiscal policy by having agencies such as the Atlantic Canada Opportunities Agency in place, or a major project such as Hibernia. These are things that are offsets, if you will, to the effects of these policies, plus the fact that equalization provides an ongoing measure of support for provinces in Atlantic Canada to allow them to continue to meet their responsibilities in the range of government policy there.

I remind my hon. friend that there are no strings attached to the equalization payments. Those moneys can be spent in any way that the province wishes to spend them.

* * *

• (1440)

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to members' attention the presence in the gallery of His Excellency George Vassiliou, President of the Republic of Cyprus.

Some hon. members: Hear, hear!

[*Translation*]

Mr. Speaker: And also, colleagues, I am pleased to draw the attention of the House to the presence in the gallery of the Hon. Henri Nallet, Minister of Agriculture of France.

Some hon. members: Hear, hear.

[*English*]

Mr. Speaker: I also wish to draw to the members' attention the presence in the gallery of Kazimiera Prunskiene, Prime Minister of Lithuania.

Some hon. members: Hear, hear!

* * *

BANKRUPTCY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, in the absence of the Minister of Transport, I have a question for the Minister of State.

The minister will know that the bankruptcy of Odyssey International and Thompson Vacations has stranded thousands of Canadians in the Caribbean and southern U.S. The minister will also know that a loophole in the National Transportation Act allows charter companies created like Odyssey to operate without financial guarantees.

Will the minister tell the House that he will move as soon as possible to plug that loophole, so that Canadians can be protected when they are travelling abroad.

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I would like to thank the hon. member for this question. It allows me to reassure tourists that the tour operators emergency stand-by group, a committee of the Canadian Association of Tour Operators is working diligently to bring home those passengers who were affected by this bankruptcy.

I would also like to remind passengers who find themselves in a situation like this, first to make contact with their travel agencies and our embassy offices, who have been requested to provide any necessary consular assistance to affected passengers.

I am informed that all passengers are on the way home.

I would also like to inform the hon. member that this is not a loophole in the law. It is an exemption that was granted to charters operated by carriers that have a scheduled licence because they were considered to have the financial capabilities. The National Transportation Agency has been reviewing its regulations, with a view to determining whether to revoke the exemption and require all charters to be protected by advance payments. We expect their decision to be reached within the next few weeks.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, a supplementary to the Minister of State. I remind the minister that that exemption was designed at a time when the airline industry was extremely stable and was not designed for a deregulated period which allows for all sorts of new companies to pop up overnight to serve scheduled situations.

Given the possibility that the provincial travel industry funds, either in Ontario, B.C., or elsewhere where they exist, will not be sufficient to totally compensate those passengers who have suffered a financial loss because of this bankruptcy, and given the fact that it is a federal exemption that has allowed this situation to occur, will the government give consideration to assisting those travel funds in meeting 100 per cent of the draw created by this bankruptcy?

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I would like to answer the hon. member by saying that deregulation has in fact created an environment in which airline companies are competing in the best interests of the Canadian public.

As far as all his doom and gloom possibilities are concerned, I would like to tell him that as a responsible government, we will cross the bridge when we get to the river.

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, my question is for the Acting Minister of Transport along the same line of questioning. I have been discussing this situation with people in the business. Organizations representing travel agents and tour operators informed the government months ago of a serious problem in Transport Canada regulations pertaining to chartered airlines, a problem which is directly related to the stranding of 7,000 Canadians this past weekend.

Considering there were four bankruptcies in past months—they were bonded, I agree—can the minister explain why he did not take action when he was told about the problem months ago and we saw what happened this past weekend?

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I am glad that the hon. member has stated that in most of the cases that happened recently the tour operators were in fact bonded as required by the regulations.

As far as looking at the whole situation, I have just told the previous member that the National Transportation Agency has been reviewing the regulations, with a view to examining the possibility and the necessity of requiring all charters to be protected and their decision is expected within the next few weeks.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): I wish to ask a supplementary question, Mr. Speaker. I accept the minister's answer, but he was notified.

In any event, I would like to ask the Minister of External Affairs, since so many Canadians are stranded throughout the world, whether senior officials of his department in the countries where we are represented are prepared to help Canadians who are very anxious, to say the least.

Is your department ready to give them information to reassure them that they can return home?

Hon. Jean Corbeil (Minister of Labour) and (Minister of State (Transport)): Mr. Speaker, I am pleased to answer the hon. member again that yes, all embassies and consular offices have been instructed to do what is necessary so that all passengers with any problems when they travel abroad can contact them.

I just said that the first thing people must do is to contact their travel agent and as soon as we were informed of the possibility of this problem arising under the present legislation, the National Transportation Agency was instructed to review the present legislation. That is what they are doing.

Again I say to the hon. member that the National Transportation Agency's decision should come in the next few weeks.

* * *

[*English*]

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): I have a question for my friend, the Minister of Fisheries, whose torrid honeymoon in the ministry is clearly over.

I want to draw to his attention something that he ought to know, that confidence in the fishing industry in Atlantic Canada is clearly and completely destroyed because of the lack of support from this government. Now there are rampant reports in Newfoundland and Nova Scotia that one of the giants in the business, National Sea, is looking at selling off some of its plants in those two provinces.

Is the minister aware of that? In the event that National Sea does sell off some of its plants in Newfoundland and/or Nova Scotia, is the minister prepared to ensure there will be a supply of fish to communities such as Burgeo by, if necessary, revoking the trawler licences of that company?

Mr. Speaker: I must point out to the hon. member that that is a highly hypothetical question. The minister may want to deal with it.

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I guess you have my answer. This is a hypothetical question.

The point I want to make to the hon. member is that I have seen press releases about the possible attempt by some people to purchase the Canso and Burgeo plants from National Sea. All I can say at this moment is that we have been working with the communities, as the member knows, to find a way to give the people in Canso a way of earning their living.

We have never promised that we would be able to create jobs out of nothing, but I know that certainly discussions are taking place right now, and if and when something can be done in a positive way for Canso or Burgeo or any other place in Atlantic Canada, I will be pleased to let the House know.

Hon. Roger C. Simmons (Burin—St. George's): The minister will also know that the latest blow to the Atlantic fishery is the glut in the lobster fishery. Today you can buy lobster for less a pound than you can buy bologna, our traditional steak back home. In view of the continuing onslaught on the fishermen and plant workers in Atlantic Canada, can the minister tell the House when is he going to realize that he cannot afford to wait any longer before announcing his long-awaited aid package. They are hurting and they are hurting even more because of the lobster situation. Will he act now?

• (1450)

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, someone suggested that I say to the hon. member that he is an expert in baloney. I would not say that to him, although he may very well be.

I want to take the occasion to warn the hon. member that Atlantic Canadians, especially fishermen, are not asking for aid.

Mr. Simmons: They want to fish.

Mr. Valcourt: They do not want a hand-out. They want a hand up, and we will give it to them.

NICARAGUA

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question is to the Minister of State for External Affairs. Three years ago I raised in this House of Commons actually four times, the question of arms sales by Canadian companies to the Nicaragua contras.

Yesterday *The Toronto Star* reports that arms dealer Arif Durrani has seen the shipments first-hand, and is testifying that documents were falsified.

In light of the new, direct evidence of illegal activity of Canadian companies, will the minister make public the RCMP report, which I do not believe has ever been made public, and can we expect charges against these companies in Canada?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the hon. member is correct. He raised the matter four times and I think that on each occasion I gave him the assurance that the Canadian government was not involved in and had no knowledge of a transaction to supply arms.

He quotes Mr. Arif Durrani. He does not give his full credential. He is a convicted arms dealer in prison in Oregon. He is the source of the latest round of concerns that have been expressed in *The Toronto Star*.

The hon. member knows as well as anyone in the House that there is a practical rule against releasing RCMP reports. I trust him and I take him as a man of his word. If he is prepared to accept the normal confidentialities that would apply, I will be sure that there is a complete briefing given to him on a confidential basis as to the circumstances. Then he can base his questions on the facts, not on allegations that come from persons occupying cells in Oregon.

Mr. Ian Waddell (Port Moody—Coquitlam): I did neglect to mention that. That is a very good source though, and the minister should consider that.

I say to the minister that I will not take up his offer. He should make the report public to the Canadian people, as they have done in the United States with respect to the Iranian-contra affair.

My supplementary question is to the Prime Minister. Either the Canadian government in this matter was ignorant of what was going on, were wilfully blind or, in fact, knew what was going on.

Given that this happened in a period when he was very close to the American President, Mr. Reagan, and to the White House, was he ever asked by President Reagan, Mr. Poindexter, or any other officials in the White House at that time, and did he agree, to secretly ship arms to the Nicaraguan contras through Canada?

Right Hon. Brian Mulroney (Prime Minister): No, Mr. Speaker, but they did tell me to keep my eye out for subversive socialists in Canada.

* * *

[*Translation*]

LABOUR FORCE DEVELOPMENT STRATEGY

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. As part of our unemployment insurance reform and our Labour Force Development Strategy, we plan to spend several million dollars on helping older workers and supporting the development of communities hit by high unemployment rates. For instance, $100 million was earmarked for the Program for Older Worker Adjustment and $50 million for the Community Futures Program.

Mr. Speaker, we have been waiting four months for the Senate to act, and meanwhile the unemployed, workers and disadvantaged regions are being penalized. Does the minister have any indication whether the Senate will finally come to its senses and stop using the unemployed and the regions for its own political ends?

An hon. member: Good question.

An hon. member: Very good question.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, we, as a government, are aware of the problems of the unemployed and more specifically of unemployed older workers, and we have the solutions to these problems in our Labour Force Development Strategy. For the sake of all older workers and others who are unemployed, I sincerely hope the Senate will decide to support a bill that is of vital importance to all Canadian workers.

[*English*]

LITHUANIA

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I understand that the Secretary of State for External Affairs met this morning with our distinguished guest, the Prime Minister of Lithuania.

Does that meeting indicate that Canada will be playing a role in helping to ease the tensions in the struggling country of Lithuania?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I did have the opportunity this morning, as a parliamentarian meeting another parliamentarian, to have some discussions with the Prime Minister of Lithuania.

We identified a number of areas in which Canadian help to the elected leaders of Lithuania can proceed, ranging all the way from advice on establishing banking systems and government departments, through to the provision of training in Canadian business schools and the discussion of trade with members of the trade delegation accompanying the Prime Minister.

Of particular interest to me was the response by the Prime Minister of Lithuania to the proposal made on the weekend by President Mitterrand and Chancellor Kohl. The response was a constructive and positive one, indicating that they would, of course, require some international guarantees. I indicated to the Prime Minister that Canada would look for ways in which we could contribute to international guarantees that might allow the independence of Lithuania to be achieved by negotiation and peacefully.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is also for the Minister for External Affairs and it also concerns Lithuania.

Did the minister have an opportunity in his discussions this morning with the Prime Minister to indicate Canada's recognition of this as being an international problem and not just a national problem for Moscow, and our willingness to indicate to Moscow our support for a peaceful settlement and the eventual independence of Lithuania?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, that position was communicated some time ago, not least by a unanimous resolution of this House of Commons.

I think that the practical problem being faced now is how one achieves that result in a way that encourages and maintains in control in the Soviet Union the forces of reform which all of us applaud.

There was a very important initiative taken by President Mitterrand and Chancellor Kohl. There has been a constructive response by the Lithuanians to that initiative. There is a requirement from the point of view of the Lithuanians of some kind of international guarantees. There are a couple of ways in which Canada can work on that. One is to consult with some of our allies, which we will do, beginning in the next few days. Another would be to respond positively to the request of the Prime Minister of Lithuania this morning that there might be some Canadian expertise in international law that could be made available to Lithuanians. We are prepared to look at that.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary is to the same minister.

I am sure all Canadians appreciate the initiatives being taken here, but I would like to pursue one specific one. Given Canada's commitment to international organizations, does the minister see a role for the United Nations, particularly the Security Council, and the presence of international organizations during these very, very insecure times for Lithuanians?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, that matter was discussed with the Prime Minister of Lithuania this morning. I conveyed to her my view that it would be premature to involve the United Nations or the Security Council at this stage because that might have the effect of hardening attitudes on all sides. I thought the informal but highly effective approach that had been initiated by President Mitterrand and Chancellor Kohl should be followed up with a similarly informal but effective attempt by nations in the west to provide the kind of international guarantees, quite reasonable guarantees in my view, that were sought by the Prime Minister of Lithuania.

• (1500)

[*Translation*]

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, my question is directed to the Secretary of State. In exchange for a federal contribution totalling $26 million over ten years, Saskatchewan promised to set up a system for the control and management of minority schools by the Fransaskois.

We know the provincial government has withdrawn from this agreement. Since Saskatchewan broke its contract, shouldn't the federal government withdraw its contribution and give it to the minority so that it can look after its own interests?

Some hon. members: Hear, hear.

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, there is a Canada-Saskatchewan agreement involving $26 million. As I said before, I regret the delay in introducing legislation to hand over management of the schools to the francophone community and francophone parents. Certain amounts of money are being transferred through this agreement and will be used in a process that is now taking place, and we will stand by the agreement that is now in place. I see the Saskatchewan government's commitment as a very firm one, despite the delay, and our commitment is firm as well.

[*English*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Supreme Court of Canada has ruled that minorities have the right to control and manage their own educational institutions.

We know that four provinces, Ontario, Quebec, New Brunswick and P.E.I. have such a system. None of the other have it. I ask the Secretary of State: Will he convene a conference of the provinces to discuss this matter with a set timetable, with something like a constructive approach to settle this problem which is getting out of hand?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, I will be meeting in two weeks or a little less with the Minister of Education for Alberta, Mr. Dinning. I intend to see what progress we can make.

It comes about as a result of a very constructive meeting I had with ACFA, *Association canadienne française de l'Alberta*. I do intend to write to all my provincial counterparts and do hope to be able to make very important progress on this matter, that I know is of extreme concern to the member and to all members of Parliament.

Mr. Speaker: I want to advise the House that I have notice of a question of privilege from the hon. member for Port Moody—Coquitlam. Immediately after that I will be hearing the hon. House leader of the government. However, with the consent of the House the House leader has a matter which I think might be helpful to the House. If I could have consent I would hear him first. Then I would hear the hon. member. I need the consent.

Some hon. members: Agreed.

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BUSINESS OF THE HOUSE

Mr. Andre: Mr. Speaker, I would just like to indicate that it is my intention to call an Opposition Day tomorrow, to designate tomorrow a Supply Day for the opposition.

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PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, my question of privilege arises out of an answer in Question Period.

As you know, Mr. Speaker, for three years I have been doggedly trying to get the government to deal with the question of international arms dealers, and specifically our involvement in the Iranian contra affair. I put the question to the Prime Minister today and he suggested that it is somehow subversive, that is disloyal or traitorous.

I have a sense of humour like the Prime Minister, but I put it as a very serious question. It is a serious matter. It is not a joke. For three years we have been trying to get the government to make public an investigation in Canada over this very serious matter.

There has been new evidence that it has come to light. I ask the Prime Minister to withdraw the suggestion that the matter is subversive and disloyal in any way, that in fact it is a serious matter and his government will respond to it.

Mr. Speaker: I know that the member put the question in a serious way, even though the way the question was put might have elicited some attempted humour in reply.

The right hon. Prime Minister may wish to comment.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I always take questions and suggestions from my hon. friend very seriously.

I did, indeed, take the last one very seriously. The government offered the hon. member the opportunity to have a complete, confidential briefing on the information available to us so that he could then base his questions on knowledge as opposed to conjecture and rumour.

I regret that I heard the hon. member decline the invitation of the Secretary of State for External Affairs. Perhaps he would like to reflect upon that and perhaps change his mind. I can assure my hon. friend of something that he already knows well and that is that anything that would offend him in any way at any time, I would withdraw.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government responses to several petitions.

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

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ANNIVERSARY OF LIBERATION OF THE NETHERLANDS

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Mr. Speaker, I want to remind the House today that during the next 10 days we will be commemorating and celebrating the liberation of The Netherlands by the First Canadian Army. It will be 45 years ago on Saturday since Lieutenant General Charles Foulkes, Commanding Officer of the First Canadian Corps, officially accepted the surrender of the German forces in The Netherlands.

[*Translation*]

The surrender came at the end of a long, tough battle to liberate the people of the Netherlands from their oppressors. During that battle, our armed forces kept access routes to the major port of Antwerp open so that the Allied advance would not slow down through lack of supplies.

[*English*]

It was a struggle that saw our forces prevail over a do-or-die enemy and the worst ground conditions encountered during the war in western Europe. More than 7,600 Canadians died during that successful struggle to return freedom to others. Later this week, in the company of members of this House, I will have the privilege of leading a pilgrimage to The Netherlands, in order to honour the memory of those men and women and to celebrate what they achieved.

[*Translation*]

On the other side of the ocean, we will have an opportunity to meet thousands of our veterans, guests of the many "Thank you, Canada" committees in the Netherlands.

[*English*]

Mr. Speaker, the Dutch people have never forgotten what young Canadians from every province and every service achieved 45 years ago. Neither should we, ourselves, ever forget those who won our country such enduring respect.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I have the honour and the privilege to respond to the statement just made to the House by the hon. Minister of Veterans Affairs.

On this, the approaching forty-fifth of the liberation of The Netherlands, we commemorate the more than 7,600 Canadians who gave their lives for freedom. At the same time, we, the people of Canada and The Netherlands together, take comfort in the knowledge that out of the anguish and the horrors of war, there developed warm and powerful bonds of friendship that still endure today.

The foundation of a special relationship between our countries was established during the dark years of the Second World War. When Holland was overrun by the Nazis in May 1940, Queen Wilhelmina sought refuge in England and from there headed her country's government in exile. But even Great Britain was a precarious haven and in 1942, the Crown Princess Juliana was persuaded to leave for Canada where she made her wartime home, another dimension to this tangible and historic bond.

• (1510)

Perhaps I should mention in the context of what we are discussing here this afternoon that only this weekend I spoke with the hon. Minister of Municipal Affairs, accompanied by Mr. Fred Williams of the Royal Canadian Legion, Newfoundland. They had just returned from the pilgrimage abroad to commemorate the seventy-fifth anniversary of the Battle of Gallipoli, one that is deeply ingrained in the minds and hearts of many veterans of the Royal Newfoundland Regiment who served in that campaign. They remarked on the solemnity and the reverence of that occasion.

Mr. Speaker, as the Official Opposition veterans affairs critic, I am very pleased to join the minister's pilgrimage to The Netherlands to pay tribute and to honour the memory of those Canadians and to recognize what they achieved for others and for themselves in the cause of freedom.

Some hon. members: Hear, hear!

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, on behalf of my caucus and my party, it is a pleasure to join with the minister and my colleague from the Official Opposition to also recognize these coming days in honour of the forty-fifth anniversary of the liberation of The Netherlands by the First Canadian Army.

I had the pleasure and privilege of being there five years ago on the fortieth anniversary in the company of George Hees, the former minister, who won a Distinguished Service Cross in the Schelde Estuary, trying to get across the canal.

I appreciate the fact that the minister has invited me and some other colleagues to join him at the celebrations in Holland next week and the week after.

One thing impressed me very much in that previous experience. I am sure I will find it again starting next week. That is the school children, all three generations from the last 45 years, learn what happened from 1939 to 1945 and what Canadians did. I just wish more of the same would happen in our schools—not for the glorification of war, but for what we did to fight for peace in our own country. I hope that among ourselves and others we will do more to make sure that Canadians, present and future, will be fully informed.

Outside of this Chamber right now is a remembrance, a gift from the people of Holland, tulips in bloom. There could be no finer gift to decorate this Hill and these buildings. We who attend these ceremonies over the next 10 days will do our best to express our appreciation to the committees all over Holland which organize and provide hospitality and accommodation for thousands of Canadian veterans.

Many hundreds of Dutch people became spouses of Canadian veterans. These Canadians were very smart. They married people from Holland. I have a number of these people in my riding.

I hope, Sir, that this House will continue the tradition of each year acknowledging both World Wars and the Korean War, wars that had to be fought and in which we fought. We took no part in those wars that did not have to be fought. That is to the everlasting credit of our country.

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INTERPARLIAMENTARY DELEGATION

PRESENTATION OF FIFTEENTH REPORT OF CANADIAN NATO PARLIAMENTARY ASSOCIATION

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

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PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my honour to present a petition pursuant to Standing Order 36 on behalf of a number of people from the community of Kamloops. These people point out a whole list of

grievances regarding the government's proposed goods and services tax. They are calling upon the Liberals in the Senate to stop this tax dead in its tracks right away.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have another petition on another topic. Petitioners are still concerned over the government's decision to cut back on VIA Rail. These are petitioners from western Canada who are calling for the government to reconsider the decision to close down a good part of the VIA system and introduce a modern passenger train service for Canada from coast to coast.

EXTERNAL AFFAIRS

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, it is my honour to present, on behalf of a number of residents from the riding of Vancouver South, a petition that calls upon Parliament and the Canadian government to take immediate and effective measures to secure Mr. Leo's release from prison. They are imploring Parliament to do everything possible to help this Canadian citizen.

GOODS AND SERVICES TAX

Mr. Sergio Marchi (York West): Mr. Speaker, I have two sets of petitions signed by constituents of my riding of York West.

The first one, and there are about 15 petitions, asks this government to go back to the drawing board with respect to the GST. We know that the GST is currently in the hands of the Senate. The petitioners ask the government to have a second look as this is going to damage and undermine the fabric of not only average and middle-class Canadians but as well many of the small businesses that are the engines and the creators of jobs across the country.

PEARSON INTERNATIONAL AIRPORT

Mr. Sergio Marchi (York West): Mr. Speaker, the second petition concerns Pearson International Airport. It comes mainly from individuals who live in and around the Pearson air flight zone.

They are asking that a further runway not now be constructed and that the enforcement for late night travel past midnight in the wee hours be stopped. This will allow individuals living in those neighbourhoods to have a viable neighbourhood to live in not only for the short term but for the long term as the airport looks toward expansion.

GOODS AND SERVICES TAX

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, today it is my privilege to bring forth many petitions that oppose the goods and services tax and the negative impacts this tax will bring upon Canadians.

They voice their opinion from my riding in Essex—Kent and ask the government to reconsider its position.

[*Translation*]

PROTECTION AND REGULATION OF FISH STOCKS

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I have here a number of petitions signed by residents of Robertville, Pointe-Verte, Madran, Belledune, Petit Rocher and Beresford.

Your petitioners humbly pray and call upon Parliament to extend its jurisdiction to include the entire continental shelf, as permitted under international law, so that Canada can protect and regulate the fish stocks that are vital to Atlantic fishermen and to all Canadians.

[*English*]

GOODS AND SERVICES TAX

Mr. Maurice Foster (Algoma): Mr. Speaker, I have the honour to present petitions signed by several hundred of my constituents in Bruce Mines and surrounding areas of the Algoma district.

They call on the government to not proceed with the goods and services tax because of the adverse effect it will have on low income and elderly people throughout the riding.

* * *

• (1520)

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, Question No. 259 will be answered today.

[*Text*]

VIOLATIONS OF THE FISHERIES ACT

Question No. 259—**Mr. Ray Skelly (Comox—Alberni):**

For each calendar year from 1984 to 1990 (to date) have any Native fishermen been charged in British Columbia with violations of the Fisheries Act and, if so (a) what number were (i) charged (ii) convicted (b) what number of charges were (i) withdrawn (ii) dismissed (c) for those convicted, in each case, what sentence was imposed?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): In British Columbia, the Department of Fisheries and Oceans does not maintain a record of the number of Native fishermen charged with violations of the Fisheries Act. However, the Department does maintain records for prosecutions involving individuals who qualify for an Indian food fish licence under Section 27 of the British Columbia (General) Regulations.

The Department is only able to provide data relating to charges initiated by DFO staff. Charges initiated by Provincial authorities tasked with enforcement of the Fisheries Act, are not recorded by DFO.

The attached table sets the number of files processed (ie; incidents), the number of charges laid and the final disposition of these charges, for the period 1984 to 1990 (to date).

DFO ENFORCEMENT STATISTICS

VIOLATIONS INVOLVING PERSONS ELIGIBLE FOR AN INDIAN FOOD FISH LICENCE

Year	Number of Files	Charges Laid	Convictions	Withdrawn	Dismissed	Acquitted
1984	79	121	73	19	20	0
1985	156	309	143	118	30	0
1986	254	489	235	168	53	0
1987	309	583	222	164	38	0
1988	174	358	61	37	17	2
1989	339	646	156	90	31	6
1990	8	10	1	1	0	0

	Sentence							
Année	Probation	Suspended Sentence	Absolute Discharge	Jail	Conditional Discharge	Fine	Total Fines	Charges Outstanding
1984	1	7	6	2	3	54	$ 6 526	9
1985	5	15	1	7	1	114	$ 16 580	18
1986	4	31	3	12	4	181	$ 25 741	33
1987	11	15	5	22	6	163	$ 27 195	159
1988	1	2	2	5	0	51	$ 10 230	241
1989	6	3	0	4	2	141	$ 25 070	363
1990	0	0	0	0	0	1	$ 25	8

[*English*]

Mr. Speaker: The question as enumerated by the Parliamentary Secretary has been answered.

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

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

AKWESASNE RESERVE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, under the provisions of Standing Order 16 I wish to move the adjournment of the House to discuss a matter of extreme urgency, namely, the violence on the Mohawk community of Akwesasne which is partially in my riding.

This violence has resulted in shootings, grenade blasts, arson, beatings, injuries and now the evacuation of hundreds of citizens of the village of St. Régis. Mr. Speaker, as you will know, this community is located less than 50 miles from Parliament Hill. This violation has got to stop. This issue has to be raised publicly in this House now.

SPEAKER'S RULING

Mr. Speaker: I received notice of the application of the member for Glengarry—Prescott—Russell on a matter which is extremely important.

The hon member put questions to the appropriate minister during Question Period today. The response of the government through the right hon. Secretary of State for External Affairs indicated the seriousness of the matter, and also his appreciation of the steps that the hon. member for Glengarry—Prescott—Russell has already taken both outside this Chamber and inside this Chamber on the matter.

Members will know that there is an allotted day tomorrow. Under those circumstances, I would not, as I would ordinarily do, order an emergency debate. Depending on what happens tomorrow I would invite the hon. member for Glengarry—Prescott—Russell, if he deems it necessary, to apply again.

GOVERNMENT ORDERS

[*English*]

RAILWAY ACT

MEASURE TO AMEND

The House resumed consideration of motion of Mr. Lewis that Bill C-26, an act to amend the Railway Act (grain and flour subsidies), be read a second time and referred to a legislative committee; and on the amendment of Ms. Clancy (p. 8227).

Mr. Speaker: I wish to inform the House that because of Ministerial Statements, Government Orders will be extended seven minutes.

I believe the hon. member for Regina—Lumsden had 10 minutes of questions and comments.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, just a very brief question to my colleague.

I listened with interest to his speech earlier today. A lot of the focus was on the impacts on Atlantic Canada and the west. As he and the House will know, there are a number of small transfer elevators located in Georgian Bay, the upper Great Lakes and even the lower lakes in the upper St. Lawrence, that each year receive anywhere from 90,000 tonnes to 530,000 tonnes of at and east shipments.

I wonder if the hon. member for Regina—Lumsden can give us his impressions of what the impact on these smaller elevators will be in what we call the bay ports and the lower St. Lawrence?

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, my colleague is quite right. There will be an impact on

the Georgian Bay and other St. Lawrence Seaway ports. Not only will it impact on the ports in terms of the grain handling, there are two or three flour mills in that system that will be affected by the moving of flour to Montreal, and Halifax and Saint John in particular, for export.

The cancellation of the at and east freight rates is a relatively small saving to the government, at $30 million to $40 million a year. Yet it could mean the loss of at least two flour mills in the Great Lakes system and the grain handling facilities, not only for milling grades of wheat but for feed grains, a fair amount of which is produced in Ontario.

As I pointed out earlier this day, when the Atlantic provinces are forced to consider bringing in corn from the United States and feed grains from western Europe there is something fundamentally wrong with the government's policy. The ramifications of this action by the government are far wider than just a reduction in subsidies for the transportation of milling grain and flour to eastern ports.

The ramifications reach west past Regina and so the government, I submit, needs to reconsider what it is it is doing. The so-called savings under this bill will be offset by much higher costs not only to the government but to people in the milling industry, the grain terminals, the employees and the grain producers, both of feed grain and grain raised for milling into flour.

I want to thank my colleague again because the government has to reconsider what it is doing to some Great Lakes and St. Lawrence Seaway ports, not just Saint John and Halifax, because there will be ramifications for them as well.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I too am glad to take part in this debate, but I do so with mixed feelings because we have been wrestling with the implications of Bill C-26 in the transport committee.

The bill has been before the House since last June. My hon. friend, the hon. member for Regina—Lumsden mentioned that even though we have not passed the bill, it is being implemented retroactively by the railways against the shippers.

Certainly, having been in the opposition for many years, I share the views of my friend, the hon. member for Regina—Lumsden, in terms of the effect of retroactive legislation. That is one reason why I speak with very mixed feelings today.

This bill, which appears to be insignificant, with just two pages and one clause which amends the Railway Act and something called "at and east", is a complete mystery to most members of this House. Yet, for those of us from Atlantic Canada, the "at and east" provision of that Railway Act that is being abolished by Bill C-26 is as fundamental to us in Atlantic Canada for the export and the movement of grain as the Crow's Nest Pass was in western Canada.

I am very embarrassed that a government would bring this on without consultations with all the affected parties, as has been promised. We heard it was going to be brought forward last Thursday. Having checked with the Atlantic Provinces Transportation Council today, there has been no response to them from the ministry to discuss something that Atlantic Canadians, the Atlantic Provinces Transportation Commission and most of the Atlantic members were prepared to accept.

We understood there needed to be change in the "at and east" subsidy, a subsidy that was valued at $35 million in direct payments to the railways to pay the difference between a frozen rate in the 1960 climate of freight rates and the compensatory rate which obviously is a higher rate. That difference is a subsidy of about $35 million. It is quite correct, this is a budget item which, of course, is another element which gives me some concern in view of other things that have happened with budgets around here.

• (1530)

The sad thing is that the Atlantic community most affected by this and Atlantic members on all sides, especially the government side, have been waiting to see what was going to come from something called "offsets". "Offsets" is about as mysterious as the words "at and east". The offsets are offsets that could be done by cabinet order involving one, two or three ministers to, in effect, offset the loss of the subsidy by doing some other things, for instance, removing the tariff on the importation of American corn. That itself would help somewhat to redress the loss of the subsidy.

There was to be some type of agreement with unit trains from the lakehead eastward. There were to be many things, and yet none of that has happened even though we have known about a change.

In fact, to give full credit where credit is due, it was the Atlantic Provinces Transportation Commission itself that came up with a proposal in 1985 suggesting changes in the subsidy. It realized that this government was trying to reduce a deficit. It was trying to be sensible and reasonable and came up with a formula to reduce the subsidy from $35 million to approximately $10 million with consequential offsets to come into place.

That was 1985. It has not happened. There has not been any movement. There has not been any response. There have been some letters. Perhaps the problem is that it involves three or four ministers of the Crown and/or the Atlantic Province Transportation Commission and the Maritime Farmers Council, but there has not been any response to the most reasonable, responsible reaction to this element of at and east which we all knew needed change.

The *Budget Papers* say that this is one of the subsidy programs that has outlived its usefulness because now Atlantic ports are competitive with American ports. The phrase "at and east" was introduced to have Atlantic ports competitive at and east of Buffalo with American ports, i.e., the ports of Saint John and Halifax would be competitive. That was one of the reasons for the at and east subsidy and that has been recognized by the Atlantic Provinces Transportation Council.

There is another reason, which I know is going to surprise some members of this House, why there was an at and east proposal and this was never even touched on in the *Budget Papers*. I will go back to the initial debate on this bill in the Transport Committee in 1966. A fellow called Mr. Pickersgill, the then Minister of Transport, came before that committee and said certain things.

We honour my friend from Regina—Lumsden today. It is his birthday and he is going to get into the hallowed halls of retirees and pensioners. He has been a most diligent, constructive, and sometimes cantankerous member of the transport committee for 21 years, but he has always brought an insight on transport matters which I wish was shared by all members of this House. I compliment him for that.

This took place just before the member came along the pike, but I happened to be there. Mr. Pickersgill appeared before the transport committee on Thursday, October 6, 1966.

To digress for a minute, I wish that some members of this House on all sides would start to pay attention a little more to many aspects of our history. Quite frankly, if we looked at some of our history perhaps we would not have some of the problems that we have today.

Mr. Pickersgill, the then Minister of Transport, came before the transport committee on Thursday, October 6, to explain this mammoth change in transportation. In fact, it was the new transportation policy, it set up the national transportation agency. It was the new blueprint which was not changed until the Deputy Prime Minister, the Minister of Transport when we took over, brought in the new transportation act. About the at and east rates Mr. Pickersgill said, among other things:

> The one other thing that affects the Atlantic provinces, in this Bill especially, is something that has never been done before, and that is the underwriting of the so-called "At and East Rates", which are the rates on grain between the lakeports and ports from Montreal east, including and being of particular importance to Halifax and Saint John. According to the Board of Transport Commissioners, these rates are already unremunerative. In the year 1966 the railways already have been paid some compensation for maintaining these rates. We have decided to keep those rates at their present level and to pay compensation for doing so. This is because we feel there is an equal obligation in this field to the obligation with regard to the Crowsnest. The purpose of this is to ensure that we will have rates which will provide some inducement and incentive to shippers to use the facilities of the Atlantic ports. This might be a debatable question but, at any rate, it is the policy embodied in this bill and I think, on balance, when we consider the terms of the Atlantic Development Board study on the ports of Halifax and Saint John, as to the effects of the increased St. Lawrence transportation, it is one very desirable offset in that field.

That explanation extends the reason why there ever was an at and east. It was not just to be competitive with American ports. It was so that Halifax and Saint John could be competitive with the St. Lawrence ports. The St. Lawrence ports are still there. They still get the benefit of coast guard, ice navigation and many elements from the Department of Transport, and I do not quibble with that. But what I do take exception to is that in his budget speech the Minister of Finance mentioned only one reason why the subsidy was there. He is right that it is not necessary any more, because of containers and everything else, for that subsidy between Atlantic ports and the eastern ports at and east of Buffalo on the American side. But it is still very necessary for Saint John and Halifax in terms of the St. Lawrence ports that are still very much there and still very much get help from the federal government through many programs.

I, as one Canadian from Atlantic Canada, cannot accept Bill C-26 in its present form, especially with no assurance that there are going to be offsets, because we still have something from your neck of the woods, Mr. Speaker, and from the neck of the woods of my hon. friend from Regina—Lumsden. We still have something call the Western Grain Transportation Act which distorts the movement of grain to the tune of about $850 million. I am aware of some of that history. I know there are some moves to try to reform and revise that, to perhaps give some of that money to the producers rather than paying it to the railways. There are many different things being discussed.

Well let us discuss them and try to define where we make the change. But is it fair to make the change on the little $35 million in Bill C-26 that hits Atlantic Canada right in the gonads and not do anything to the Western Grain Transportation Act which affects the western farmers to the tune of $850 million? That is not fair or equitable and that is why Bill C-26 should not be before this House at second reading until there is something done.

As I said earlier, we had the Atlantic Provinces Transportation Commission before the Transport Committee on February 22. They are so reasonable. In fact, I talked to the chairman afterwards and said that he most likely shot himself in both feet let alone knee-capping himself because he did not come out a little more critically of the fact that since 1985 there has been no response fundamentally to the proposals they put forward then for offsets. They were so reasonable that they said they had looked at some of those offsets and they think that perhaps they are not in the complete balance that should be applied, and they came up with another proposal. They came up with a proposal that removes the subsidy on an ongoing yearly basis and only ties it to the three winter months when, in effect, the St. Lawrence is closed and the Atlantic ports could still get the benefit of the flow of grain to the east as long as they got the subsidy to help pay the difference between the frozen rate and the compensatory rate that the railways would charge.

• (1540)

I just wanted to put on the record that this is much more than just a subsidy to be competitive with American ports. It is part of our national dimension. It is part of the fabric which keeps this country together. Mr. Pearson said many years ago in this Chamber that there is a price to pay to have a Canada. He was referring to the questions about the cost of bilingualism. There are so many costs to keep this country together from coast to coast.

One of the little elements that helped us in Atlantic Canada was at and east. The Atlantic Provinces Transportation Commission, on its own without pressure from the federal government, came through with suggestions to reduce that subsidy to about $10 million if there was movement on the offsets.

I want to put on the record what we are talking about when we talk about offsets. I understand that the problem is that there are four or five ministers involved and perhaps not one minister has tried to address this. I can tell you, Mr. Speaker, that those of us in Atlantic Canada cannot stay quiet anymore on this unless we have some assurance that those offsets are going to come into play.

I quoted Mr. Pickersgill who brought in the national transportation bill and then became the first chairman of the national transportation agency. That was a very good bill for him. But he did something good for Atlantic Canada on the at and east. For us to let that go and quietly wait for some action on the offsets is not correct for any of us from Atlantic Canada. It puts members on all sides, and especially the government side, in a very embarrassing position.

I am not talking about the moon. I am not talking about the expenditure of hundreds of millions of dollars in terms of offsets. Do you know what I am talking about? I am talking about unit trains to move the export grain to Halifax and Saint John, the use of water transport for the shipment of Plan "C" feed grains to Atlantic Canada, the elimination of the countervail and duty on U.S. corn, provision of facilities to receive grain by water at Saint John, promotion of the continued use of Halifax for the shipment of export flour and provision of permits allowing the importation of feed grains from foreign countries. Just about all of those things involve not only two or three ministers of the government but—and this is fundamental—involve the co-operation and the action of the Canadian Wheat Board.

Often, for understandable reasons, to protect the credibility of our wheat, to make sure we had a hard durum that did not have imperfections and was not going to be diluted with soft grains, the Canadian Wheat Board, for so many years, has maintained that very proper control of the wheat trade. But there comes a time, when you are trying to help one area of the country, when quite frankly we do not need the Durum

wheats and the hard cereal grains in the west, we need the soft grains and feed grains in the east.

In the meantime, we need some help at the export level to keep the elevators at Saint John and Halifax, because if you do not have elevators in Saint John and Halifax you are not going to have the wherewithal to keep these feed grains that you can develop in Atlantic Canada. That is the bottom line that is so disastrous, to have this bill come into effect with no action on the offsets.

The Atlantic Provinces Transportation Commission is as sad as I am that they have had no communication whatsoever, I am told, since they wrote after their appearance before our committee on February 20, 1990. I find that regrettable at best. Perhaps I had better watch what I think at the worst, because I just cannot understand that.

The Atlantic Provinces Transportation Commission came before the committee and said that they understand some of the difficulties the government is having and are prepared to suggest a new change for offsets. I want to get this on the record so that someone somewhere in the bureaucracy can finally read it because perhaps it has not got around. After all, it was only February, 1990, and perhaps it has not had time to circulate around and be addressed.

The proposal that the Atlantic Provinces Transportation Commission laid before the transport committee for the first time caught us all by surprise. It is as follows:

> In lieu of "At and East" and proposed only to apply on an annual basis during period of seaway winter closing:
>
> (i) rail rates on export grain and flour to Halifax/Saint John be set at a fixed rate differential over St. Lawrence ports at a level necessary to make the Maritime ports competitive with St. Lawrence ports and to encourage the use of the Maritime ports and the railways serving these ports;
>
> (ii) railways to be reimbursed by subsidy for the difference between the "fixed" rate level and compensatory rates;
>
> (iii) facilities to receive grain by water at the Saint John elevator be provided; and
>
> (iv) to prevent undue burden on the federal treasury—

These are not politicians talking, this is the Atlantic Provinces Transportation Commission trying to get something in place to help us. Out west they have the tariff off of corn. I see colleagues of mine from the west. The parliamentary secretary is from the west. Why should they have the removal of the corn tariff in British Columbia when we still have it hanging around our throats in Nova Scotia and Atlantic Canada? That is part of the other discrimination.

To continue my mild remarks on their reasonable proposal, they say:

> (iv) to prevent undue burden on the federal treasury, the special provision for "fixed" rates could be limited to maximum tonnages both for export grain and flour but not less than the volume required to maintain the grain elevators at Halifax and Saint John and the flour mill at Halifax as viable operations.

They end up their note by saying:

> The APTC would be prepared to work with federal officials to assist with the development and implementation of these proposals.

That is dated February 19, 1990. That is a variation of what they presented in 1985, and we had not heard. Can I stay here and stay silent as a member from Atlantic Canada when we have not even heard?

This is second reading and this is going to go to a committee. I wish one of the four ministers responsible for resolving these offsets was in the House. There was one but he has left. I wish there was a minister involved in the hoped for discussion on this issue who, before this debate concludes, could come into the House and give some assurance that there is going to be action on the offsets, perhaps not to the total satisfaction of the Atlantic Provinces Transportation Commission, but at least some action.

That memo to the transport committee was dated February 19 and they came on February 20 and presented their evidence and in effect supplemented what they said.

I certainly cannot support this bill at this time. I am only hoping that some sense is going to come to the ministers involved to address this serious issue. You are from western Canada, Mr. Speaker, and have been a valued member of this House for many years, as is my friend from Regina—Lumsden.

I just cannot believe that a government would bring in a bill affecting the Crowsnest Pass without a lot more deliberation, especially when there was an agency that was willing to work out a resolution of the difficulties with the loss of the subsidy. Their proposal, on their own figures, and I have not heard a rebuttal yet from the federal officials, is to reduce this subsidy on their own from $35 million to about $10 million. That $10 million means the future of the elevators in Saint John and

Halifax, the feed situation in Atlantic Canada and what that does to our farmers in Atlantic Canada.

Quite frankly, there are some people in Atlantic Canada who suggest that in Atlantic Canada we should not even try to raise feed grains. I am not going to go that far.

• (1550)

I just want to conclude by saying that never in my experience has an agency so affected by a budget matter been so reasonable, frankly I think almost to their own detriment, in not trying to organize Atlantic members in a much more aggressive way to speak on their behalf, to ensure that there is some type of offset. You have heard about the offsets that we are talking about. They are all by Order in Council with the co-operation of the Wheat Board, and yet nothing has happened.

There should not be any mystery as to why this member on this side cannot support this legislation at this time. I am only hoping that when we get this into committee, those officials charged with looking at these offsets since 1985 can indicate what they have been doing since then and/or what they have been doing since February 19, 1990.

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise very briefly just to compliment my colleague, the hon. member for Annapolis Valley—Hants. I am sure the people of Nova Scotia and and of the Atlantic region will be delighted to hear his comments today, comments that have been echoed on this side of the House by other members from Atlantic Canada. Perhaps my hon. friend has realized that if we do not hang together we certainly will hang separately.

Mr. Nowlan: Mr. Speaker, I appreciate the comments of the hon. member for Halifax. She could have rubbed it in even a little further. She did not really rub it in the way she could have. Quite frankly, as far as I am concerned, as some of my colleagues on this side of the House know, we have to really start to practise some of the reforms in the McGrath report with regard to issues, not on the partisan things that we run elections on, but on subject matter. This was never an issue in an election. Obviously if it had been and my party had this position and I got elected, I would not be standing up here opposing it.

But I think the only way this place is ever going to survive is if we can have some repartee and exchanges on all sides of the House on different issues where government confidence is not involved. I appreciate that this matter is a budget item. There are different degrees of budget items but, notwithstanding that it is a budget item, I still think that on so many issues members have to start saying what they believe and let the chips fall where they may.

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I would like to compliment the hon. member, my colleague and the chairman of the transport committee. I appreciated his remarks about my birthday and service in the committee. When I get cantankerous it is usually because of the chairman.

This bill amends an ordinary statute, the Railway Act. It may have been announced in the budget but it is not a budget bill. How does he make that a budget bill? I submit that this bill is not a matter of confidence. There are occasions when members from all sides, including government members, as a last resort, can decide to let the government and the government House Leader know that they must withdraw a bill or change it or they will vote against it or stay out or something.

Does he not agree that this is one of those rare opportunities when members can do as Liberal members failed to do on the Crowsnest Pass rates when they went along with getting rid of them?

For a matter of sheer survival, if nothing else, I would think government members from Atlantic Canada should be ready to say, "Look, withdraw this bill or substantially change it or we are not going to be here to vote or we are going to vote against it". It is not an issue of confidence. How does the member say that this bill is a matter of confidence?

Mr. Nowlan: I will be very quick because I know other members want to speak. My friend shows his experience here in the House. All I said was it came down in the budget. I might have said a budgetary proposal, but there is no ways and means motion. I said I could not support it as it is. Whether I vote against it or not is something I have to decide. I am certainly not going to be here to support it the way it is.

I will be horrified if there are very many Atlantic members, other than the members of the cabinet, who have read the bill and understand the implications of it, who would support this bill going through now. I would have no hesitation supporting this bill if we could come up with the offsets. Frankly, the Atlantic Provinces Transportation Commission and others in the Atlantic farm community understood our position.

We have the bill before us now and there has been no action on the offsets. I quite agree with the hon. member. I am just not going to support it as is.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Before we go into debate again, the hon. member for Mississauga South on a point of order.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

FINANCE—PRESENTATION OF FOURTH REPORT OF STANDING COMMITTEE

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, on a point of order, I would ask the unanimous consent of the House to present the fourth report of the Standing Committee of Finance in connection with the rules and procedures of committees.

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

Some hon. members: Agreed.

Mr. Blenkarn: Mr. Speaker, the fourth report deals with procedures in committees. If the House gives its consent, I intend to move concurrence in this report at this time. The concurrence would be seconded by the hon. member for Ontario.

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

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to.

GOVERNMENT EXPENDITURES RESTRAINT ACT

REFERRAL TO STANDING COMMITTEE ON FINANCE

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, there have been discussions with the other side and you will find that I have unanimous consent for the following motion:

> That the reference to a Legislative Committee of Bill C-69, an act to amend certain statutes to enable restraint of government expenditures, be amended so that the Bill stands referred to the Standing Committee on Finance.

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

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to.

GOVERNMENT ORDERS

[*English*]

RAILWAY ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Lewis that Bill C-26, an act to amend the Railway Act (grain and flour subsidies) be read the second time and referred to a legislative committee; and on the amendment of Ms. Clancy (p. 8227).

• (1600)

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I appreciate that we did not quickly adjourn this time and are giving a fair hearing, in some ways, to Bill C-26. It is not quite as fair as it should be in that the rules for implementation of this bill were carried forth last summer. It is not fair because the government directed the rail subsidies to be altered last July. It is not fair to everyone involved. Nevertheless, it is a bill that has been brought forward by the government.

What in fact is the at and east legislation or Bill C–26? In 1960 the Liberal government realized that various subsidies had to be put in place in order to help the areas at or east of Buffalo to compete with American ports and harbours which were sending grain to Europe and other areas. Also, it was to help them compete with Montreal and the harbours in that area. All grain subsidies were looked at and there were some rules set aside.

Some rail rates were put in place so that communities at and east of Buffalo would be able to reasonably compete with other areas of the country. The ports that were eligible for at and east until last summer were Halifax, Montreal, St. John's and areas east of Montreal. The grains that were subsidized at that point were wheat, wheat flour, oats, buckwheat, barley, rye, corn and soya beans.

We all recall the budget of March or April 1989 when the Canadian government seemed to change its total perspective on what was happening in agriculture. The legislation that came down at that point must have been written by the Minister of Agriculture in the United States. If we stop and think about what in fact it stated, in 1989 it removed $90 million from crop insurance programs across this country. This year it will be $110 million. It changed our branch line rehabilitation or our rehabilitation of rail lines that carry agricultural products by $46 million in 1989 and $2 million in 1990. It changed our advance payments to crops in 1989 by $27 million and in 1990–91 it was the same, $27 million.

Dairy export subsidies were cut by $5 million in 1989 and $7 million in 1990. The farm credit cuts were $6 million in 1989 and $8.5 million in 1990. The fuel tax rebate was cut by $42 million in 1989 and $125 million this year. All of those cuts that were engineered after the free trade agreement were not designed for the betterment of Canadian agriculture but were designed for other reasons. All of those cuts were not done by the U.S., but by the Canadian government to Canadian farmers.

The at and east bill was put in place, a bill which cut $20 million in rail subsidies in 1989 and $40 million in total by 1990. The government says that it listens to Canadians. It may listen to Canadians but certainly its actions are anti what it hears. Its actions are very much against the Canadian agricultural community. These are actions very much against the solid environment that we had in agriculture and are bringing it down more and more.

Before the election the present government suggested Canada was in a very healthy condition. They were going to put billions of dollars into helping agriculture and billions of dollars for all kinds of programs. Suddenly, after the election, we saw a very bleak picture.

We heard all we could about the debt and the deficit. We heard all about all of the difficulties that have come about in Canada. Not once was that mentioned during the election campaign. Not once was the dire effect of this budget, which cut in almost every area of agriculture, ever mentioned. Was it part of the agenda for free trade? Many people in this country strongly believe that to be the fact. Was it something that was given up at a point? Many people believe that.

In 1985 the Atlantic Provincial Transportation Commission made some very strong statements about what should happen to the program at and east. It suggested the government take no action on the at and east because it would create some serious problems in Canada. Its warning suggested that the serious economic impacts would hurt agriculture, the longshoremen and the elevator system in the east, as well as across Canada.

It suggested that the loss to the maritimes alone, if the at and east program were removed would be $27 million. It suggested that hundreds and hundreds of jobs would be lost in the Atlantic provinces, let alone the hundreds of jobs that will be lost throughout Canada as a result of this program being cut.

Capital purchases for milling ports would be lost by those who are involved in the milling of grains, not only in Ontario but throughout the eastern area. Livestock feed for cattle will certainly escalate in price when the grains that are shipped there are no longer subsidized, but are shipped in at a much higher cost. Certainly, the elevator workers in Saint John have lost their jobs because of the closing of the major elevator there.

The at and east program affects not only the east, but Ontario as well. The Ontario Wheat Producers Marketing Board has made some pretty strong statements about the problems with the at and east program. The at and east program did allow orderly marketing for those who were involved in the wheat program, and if you were in an area where you harvested all of your grain within approximately a four week period, that grain was shipped to market.

If you do not have a program in place that will help the shipment of grain at different times of the year, after the freeze of the lake or after other low prices of grain are there, we all know that when we take grain off during those four weeks, there is a tremendous amount on the market. The price drops quite dramatically. However, three, four, five, or six months later, the price of grain escalates quite dramatically.

To make it fair for those producers to sell their grain, not all at one time as though everyone is dumping it at the same time, a grain transportation program was put in place and elevator programs were put in place so that the grain could be taken to elevators on Georgian Bay or to other areas of Canada, stored there until such time that the price of grain improved and the grain could be sold.

With this particular bill coming into place, of three elevators on Georgian Bay, one has already been sold and two are up for sale at this point in time. This indicates that that orderly marketing, that chance that they have to sell grain throughout the winter and through the next spring, is lost. We also know that there is insufficient storage for grains in Canada and, without a grain transportation bill, those depots, those storage areas will diminish and as a result the Canadian farmer, the grain producer in particular, is going to be in a more difficult situation.

Non-availability of rail structures means a great deal to the demise of the price of wheat throughout the Canadian production. Ontario wheat producers produce 700,000 tonnes of wheat, 450,000 tonnes of which is exported at the best market price possible. As a result, there will be bottlenecks and stoppages where producers will not be able to gain the best market for their grain.

The government, in undermining the at and east bill, also moves along to undermine orderly marketing. Removal of at and east places in jeopardy the ability to move and export grains to customers in many different regions as well. The Ontario Wheat Producers' Marketing Board indicated that the program will totally undermine the orderly marketing procedure. What the at and east program would in fact do or has done is diminish the chances of bottlenecking of products and sales all at one time.

• (1610)

Let us look back at the issue of free trade. As the government continues down its unilateral process to reduce the agriculture programs and subsidies that have been in place for several years, the U.S. has not taken one step in dealing with its programs and its subsidies. The Atlantic Provincial Transportation Commission has recommended the removal of countervail duties on American corn. Reactions such as this not only hurt the existing situation, but damage the economy in other parts of Canada.

If we allow American grain into Canada, the Atlantic producers, Ontario producers or western producers will suffer a great deal of hardship. This program seems to divide our country quite dramatically. It pits one area against another. Those kinds of issues should have been taken into account before this transportation bill was brought into effect.

Even though the at and east subsidy was announced in 1989 and the bill was not presented until June 1989, subsidies ceased on July 26, 1989. We are now debating the bill in April, going on May 1990, when subsidies were cut last July. We certainly have to look at the government and its respect for the parliamentary process.

Railroads have been instructed to take their lost subsidies into account as of July 1989. The government bypassed the House of Commons and bypassed the parliamentary process in doing such. Why are we here debating nine months after the actions of the bill have been taken? It seems quite ridiculous and quite unacceptable that we are in this position at this time. This government continues to do that type of thing. It not only loses credibility with the Canadian public but it loses credibility with everyone involved in any programs. At any time the government can retroactively cancel a program and take back the money or subsidies that have been put in place by bills or other measures.

People functioning under many of our programs have to be very confused and upset. They have to wonder whether the grant they are receiving is going to be

carried through properly or if the government going to ask for pay-backs at a later time.

When the government placed the GST ads in newspapers, we suggested that it was overlooking the view of Parliament. With this it seems much worse. The actions were put in place nine months before the bill was debated in the House of Commons and that is a shame. The government has suggested there will be a saving of $40 million. That is misleading. It is a false saving. If the maritime economy suffers, as it has, then we must pay unemployment insurance to help those who have been foisted out of their jobs. We have to look at the extra costs to the producers of chickens, pork and beef who have to pay extra funding for the grains that they feed to their animals. Then, somebody else is paying the bill. Much the same way that the finance minister foisted expenses on to the provinces, he is again here foisting expenses onto other areas of government and foisting expenses on to other production areas in the maritimes. It is costing somebody that extra money. Certainly it is costing in the wrong way, a non-productive way.

We need to have programs in this country which really bring about better production, not cut jobs, not cut security, not cut agriculture. The maritime economy has been very hard hit lately. We all know that. Adding extra costs to the livestock and poultry feed costs is no option. The loss of milling quality wheat in the maritimes will result from this bill. When we are already suffering the loss of VIA Rail, losses in the fishing industry and high unemployment, that is very unacceptable to me and I am certain it is unacceptable to you, Mr. Speaker, that the government now foists another problem on the maritimes.

Ontario will also be affected. The Ontario Wheat Producers Marketing Board has made its comments on how it will be affected. All of Canadian agriculture will suffer, particularly at this time. We face low prices and we face a great deal of pressure and demand from the U.S. free trade agreement. We are suffering as a result of world subsidies on grains, and certainly as a result of the battle between the United States and the European markets.

Why is Canada at this time taking away the support we had for this very valuable agricultural industry and pushing the farm community aside when our counterparts are doing just the opposite? The U.S. is more highly subsidizing. Certainly, I know of no program where it has taken away the profits, the subsidies, the help that it has given its farmers. Was it an agreement that was made before? Is it just the realism of the free trade agreement that is coming down on paper, things that we were not aware of that were discussed and put in motion in 1988 which are now being placed?

I am not clear, but as I look at our budgets, as I look at what is happening to agriculture and as I look at the pressures that are coming through Canada, I feel very strongly that Canada, particularly in agriculture and transportation, is strongly under attack.

The Acting Speaker (Mr. Paproski): Questions or comments? Since there are no questions or comments, debate.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise today to speak on Bill C-26, an act to amend the Railway Act with respect to the grain and flour subsidies.

This bill before us is but one in a series of measures announced in the 1989 budget by this government, which has the effect of harming Canadian farmers, dismantling piece by piece the underpinnings of orderly agriculture marketing, and abandoning Atlantic Canada once again.

Like many other pieces of legislation introduced by this government, the elimination of the at and east subsidy is ill-conceived. Like many other pieces of legislation introduced by the government, this bill has as much to do with this government's mistaken approach to free trade as it does with deficit reduction. The way in which this government has proceeded with this measure is an insult to our respect for democracy and the rule of law. In the strictest sense, the at and east program allows for the shipment of grain and flour to ports east of and including Montreal, by rail, at a fixed rate. The program's cost is $40 million annually.

In a report by the Ontario Wheat Producers Marketing Board we read about the at and east: "In due consideration of the economics associated with the at and east program, as applied to the total marketing process, the Ontario Wheat Board considers the program to be invaluable to its operation and to the interests of all facets of the industry". It went on to say that for the amount of dollars extended in the subsidy program, it

may be the best and least expensive insurance plan available to the eastern marketing system.

The government has decided that the at and east program should be eliminated. We on this side ask why the government is doing this? It is possible the government just did not have all the facts when it announced its intention to eliminate the program in the 1989 budget.

• (1620)

The members opposite did not truly understand the purpose of the program, the conditions which make its continued relevancy, and the benefits the program brings to many regions of the country and sectors of our economy. I trust they are listening to the arguments being made not only by myself and my colleagues but mostly by the Ontario wheat farmers, a number of whom from my own riding who are calling on this government to withdraw this bill.

There is little question that the government made a serious error of omission in identifying the original intention of the at and east program. In announcing its planned elimination, the government stated: "The intent of the program was to ensure that Canadian grain and flour shipments would continue to be exported through Canadian east coast ports, rather than competing U.S. ports". That is all the government said.

In fact, the intention of the government of the day in bringing in this program was twofold, not just for that reason. In addition to ensuring that eastern Canadian ports could compete with U.S. ports, the program intended to enable the ports of Halifax and Saint John to complete the ports of the St. Lawrence.

In 1966, the then transport minister said: "We feel there is an equal obligation in this field with regard to the Crowsnest. The purpose of this is to ensure that we will have rates which will provide some inducement and incentive to shippers to use the facilities of the Atlantic ports".

This omission is very important because it nullifies the government's contention that the program is no longer needed because the conditions which justify it no longer exist. One of the two reasons given by the government for its elimination is just plain wrong.

The second government justification for the program's elimination is equally misguided, but much more erroneous than the first. The budget papers read: "The subsidy has the effect of diverting traffic away from the Seaway in favour of subsidized rail movements and is inconsistent with the government's market-oriented policy". The government uses the term "market-oriented" as a banner, more like a shield to hide behind. These are the government's catch phrases, as though their mere invocation should be enough to stifle dissent, lest a government critic be labelled a socialist.

The fact of the matter is that this government has brought the term "market-oriented" and the term "free trade" along with it into the realms of obscurity. These terms now mean anything the government wants them to mean. Most often, that spells hardship for Canadian farmers.

The Canadian government has embarked on the path of unilateral disarmament. In the wake of the free trade agreement and in the midst of agricultural negotiations at GATT, as well as in the expectation of the subsidy negotiations with the United States, the members opposite and the government are stripping the country of programs that have served us so well. Prior to any negotiations with the free trade agreement, it was giving away the boat.

The at and east program obviously is one of these programs that should be protected, but that the government is giving up prior to negotiations on subsidies for the free trade deal. The program has resulted in benefits to Atlantic ports in the elevators of Saint John and Halifax. The at and east forms a vital part of the orderly and efficient marketing of its grain by providing control over its movement of exports.

It is a system that has benefited exporters of Canadian wheat by providing a year-round supply, while at the same time, benefiting producers by protecting them from forcing to sell their wheat at a fixed time, even if that time coincides with a temporary drop in the world price. The at and east has also enabled grain producers to more efficiently utilize the limited storage and elevator space in the Georgian Bay and Great Lakes regions. It has helped to alleviate the problems of bottle-neck and congestion within our transportation system. The at and east had facilitated the development of a storage and transportation system that served producers and consumers well at very little cost to the government in real terms.

As the Ontario Wheat Board has stated:

> The fact that non-availability of rail facilities during harvest forces the Ontario Wheat Board to use lakeside transfer elevators within the boundaries of Ontario in itself justifies the at and east as the board's only economical movement to winter markets.

While the U.S. and the EEC trade war continues to strongly depress world wheat prices, what does this government do but cut out a $40 million annual program which has created jobs, increased storage capacity and formed a cornerstone of orderly marketing.

This program has done much to help the Ontario wheat producer. The elimination of the program could increase the board's marketing cost by approximately $3 million per year. Normally, they would have moved up to 110,000 tonnes out of Georgian Bay port elevators to the east coast export position by rail at $5.50 a tonne. In the absence of the program the rate may go as high as $32 a tonne.

The Georgian Bay elevators provide almost 25 per cent available storage capacity to the Ontario industry. If the loss of program leads to those elevators becoming non-economic then the board will be forced to export earlier or develop other storage alternatives. Clearly, there will be a loss of jobs and a loss of the ability of Ontario farmers to to export their wheat in an orderly manner. If the government was committed to ending the program it would have been preferable to phase out the rate assistance over a period of two or three years while at the same time negotiating more competitive rates with the railways.

This government has failed, time and time again, to consult with those who would be most adversely affected by it. As a result, it has been detrimental to the ability of these people to export to their markets in a reasonable way.

The point cannot be lost on producers that the budget change falls in line with the elimination of the two-priced wheat system and a commitment in the free trade agreement to open up Canadian markets to U.S. grains. Have the Americans been stripping their farmers of agricultural exports? No, they have not.

I have been talking about the at and east in the present tense, as though it were still around and there was a chance to change the government's mind after informed debate.

The fact is that members opposite have already done away with the program. They could not be bothered with the democratic process. Clauses 1.1 and 4.1 contain deeming provisions. Even before the bill had been debated in the House the government put the word out that all contracts signed after July, 1989, nine months ago, would not be converted by the at and east. I quote from a letter by the director of rail freight programs. He says:

> The deeming provisions are intended to assure that the effective date of this measure will be July 16, 1989, even if final parliamentary approval comes later.

That is no way to run a government. That is no way to run a democracy. I believe that this sentence and the attitude it betrays is an insult to each of us in this House. The government seems at times bored and impatient with parliamentary democracy. It does not seem to be listening. It does not take the time to ask before it acts. Had it listened, it might have realized that there were ways to alter the at and east program to better serve Canadians, not needlessly harm them.

I could go on about its effect on agriculture in the maritimes but I understand my friend, the member for Dartmouth, will be talking about that shortly. In closing, we on this side do not appreciate the way the government has dealt with this issue.

• (1630)

The government should not try to reduce the debt and the deficit on the backs of the farming community and rural Canada. If that is its intention, it should first negotiate and talk with those who would be adversely affected by such a program and, in that way, try to alleviate some of the hardship that these programs would cause.

Mr. LeBlanc (Cape Breton—Highlands—Canso): Mr. Speaker, I would like to compliment my colleague, the hon. member for Haldimand—Norfolk, on his excellent speech and intervention on this piece of legislation. I want to draw particular attention to his very cogent suggestions about the way in which a reconsideration of the at and east subsidy program could have been approached by this government, rather than the ham-handed fashion in which it was carried out, with no consultation, and effectively cutting the rates without even bringing the matter before Parliament. That is something that I discussed in my own remarks today.

I would like to ask the member to elaborate on some of the points that he has made, particularly from his perspective as a member representing an agricultural riding in southern Ontario. What effects would the bill have on the producers in his area? What alternative arrangements have been proposed that were not considered by this government?

Mr. Speller: Mr. Speaker, I thank my colleague for that question.

Today, farmers in my area are facing hard times, and this is just one more attack by this government on the farming communities in our country. Wheat producers in my area can use the at and east in differing ways. The main advantage of the at and east for wheat producers in my area is to assure that they can market their product in an orderly fashion. This means that they can hold onto their product and get just that little higher price for it than they might be able to get otherwise.

That small profit allows them to survive as farmers. Farmers in my constituency and, indeed, farmers across Canada live on the edge. A $40 million program may not mean a lot to a government that is intent on reducing the debt and reducing the deficit, but it means a great deal to my farmers who only earn that little bit. It means the difference between having a viable farm operation and actually having to get out of farming all together.

I thank my hon. colleague for asking me that question because I think it is an important one. I do not think that members opposite realize how much a $40 million program could mean to the viability of farming in southwestern Ontario.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I am pleased to rise today to speak on Bill C–26.

At the outset let me join with you, Sir, in your compliments to my colleague, the hon. member for Regina—Lumsden who, as you duly noted, celebrated his 65th birthday yesterday. He is a veteran of this House and a veteran of the transport committee, with at least 21 years of continuous service.

I know all members will agree that while they may not have agreed with his positions, he certainly has done yeoman service on behalf of transportation. He is very happy to once again be battling a bill that is designed to take away services in transportation, as the Liberal government did with its bill to end the Crow benefit. Now, the irony of ironies is that on his birthday, the Conservative government is now attacking the at and east freight assistance program.

I also want to compliment my colleague, the member for Moose Jaw—Lake Centre, a new member in this House who has dual responsibilities as grain and oilseeds critic and transportation critic for grain. He has done an overwhelming job in preparing for this bill and for the debates that have taken place. I do want to thank him as well for his fine work.

The at and east freight assistance program pays a subsidy to the railways on export grain and flour moving by specified routes through eastern Canadian ports. The rates paid by the shipper have been frozen since 1960 with respect to export grain and 1966 with respect to flour. It is primarily grains and flour that is coming from the west, through the port of Thunder Bay, through the Great Lakes to the bay ports, to some of the lower St. Lawrence ports and eventually railed through to Atlantic Canada to the elevators there.

Some of it does go by rail from Thunder Bay under the flour subsidy component and is taken by train through to Atlantic Canada. The program freezes bulk rates from any rail point along Georgian Bay, Lake Huron, or any waterways directly or indirectly connecting with Lake Huron and not farther east than Prescott, being shipped to Halifax, Saint John, West Saint John, Montreal and any other St. Lawrence port east of Montreal. That rate is for grain to be exported only.

With respect to flour the program freezes the rail rate on export shipments from any point east of Thunder Bay, the aforementioned ports.

The reason this program came into being was that back in the early 1960s the railways wanted to increase their rates for movement of these grains and flour. It was argued at the time, obviously very effectively, that those increased rates would price Saint John and Halifax out of the market. What was saved by a subsidy in the 1960s will be ended by the elimination of the subsidy in the 1990s if and when this bill receives third reading in this House, is passed by the other place and proclaimed.

It was felt important to maintain the rates at a fixed level so that eastern rates would remain competitive. This program has been beneficial primarily to Halifax

and Saint John but by no means is it an insignificant component for the port of Thunder Bay, nor is it an insignificant component for the maritime community along the Great Lakes, the shipping companies who move grains from Thunder Bay to other ports, or for the ports along Georgian Bay and Lake Huron. They, too, have had most of their existence created by the at and east program, as I will explain in a few moments.

Of all the grain moved through Saint John, 95 per cent moves under the at and east program while 67 per cent of grain moved through Halifax moved through the at and east.

With respect to flour, virtually all flour moved through the two ports moves at at and east rates. Flour amounts to approximately one-third of all general cargo handled at Halifax and 7 per cent of general cargo at Saint John.

In 1988 there were 944,719 tonnes of grain and flour moved under the at and east rate, of which approximately 90 per cent moved via the ports of Halifax and Saint John as their final Canadian ports. The cost to the taxpayers on an annual basis is $32 million, but if we look at its impact the Halifax-Dartmouth Port Development Commission says that the "economics of grain traffic at the port in 1988 amounted to $25.9 million in revenues and 263 jobs, while flour traffic resulted in $28.4 million in revenues and 220 jobs".

Quick mathematics tells me that there was a profit made for those communities and for the taxpayers. For a cost of $32 million, well over $50 million of revenue and wealth was created in the port of Halifax-Dartmouth alone. If we add the impact to Saint John, the impact to the ports along the Great Lakes, the impact to the port of Thunder Bay, to the railroads, to the shipping companies, to the farmers, I would say that this has been a very good investment by the taxpayers of Canada. We have created employment from Saskatchewan through to the Atlantic Ocean. We have kept people working, who in turn have paid taxes, and have purchased goods and services in their communities.

• (1640)

So I would say that a subsidy of $32 million a year is not a drain, not an expenditure that contributes to the deficit, but it is an investment in the long-term viability of the farmer, the flour mill operator, the shipper, the port worker, the elevator operator. Because the grain is for export purposes, it assists Canada in its foreign trade balance, ensuring that this wonderful product that we grow on our prairies and in Ontario and Quebec can be exported to feed others in other parts of the world.

However, the government is prepared to throw all that away. In the name of deficit reduction, in the name of harmonization, and as part of the over-all plan to eliminate subsidies because they are evil—much like they did with the Canada-U.S. Free Trade Agreement—all of these jobs, all of the stability is placed at risk. Is there not a better way to protect the livelihood of the producers and of those who move and process these grains? Perhaps there is, but it certainly has not been found yet.

We heard earlier from the chairman of the transport committee, who expressed his concern that the government of the day had not come up with any alternatives, had not met the requests of the people of Atlantic Canada who were looking for what he called offsets. Not one of the items that he mentioned has been dealt with in any way. I do not necessarily agree with his suggestions, but clearly it does indicate the failure of this government to balance out its desire for deficit reduction with the desire for Canadians to keep working.

A moment ago I talked about the benefits, particularly to the Atlantic Canada ports. Let me talk a bit about the ports in Ontario who depend on the at and east program for their survival. For some, like Collingwood, the at and east share is only 3.2 per cent of their operations. However, at Midland, 34 per cent of the shipments that they handle are at and east; Owen Sound, 30 per cent; Port McNicoll, 87 per cent or 232,936 tonnes over a five year average are handled by that port; Sarnia, nearly 13 per cent of the grain that they handle comes under the at and east; Prescott, nearly 18 per cent and so on.

This is not just a benefit for Atlantic Canada. This is clearly a benefit for those small port communities along the Great Lakes. We have already heard reports of those elevators being in jeopardy.

I believe, Mr. Speaker, that if we check the record we will find that one of them has already closed since the illegal termination of the at and east rates last summer.

The other interesting thing that seems to be be ignored in this debate—people will say shipping by water is cheaper, and yes it is. If I had my druthers, all of the bulk commodities moving from the prairies would move through Thunder Bay and be placed on a vessel and transported down the seaway rather than going by rail. It is more efficient from the point of view of energy, and more efficient from the point of view of the environment. It just makes so much more sense. Plus, there is a spin-off of creating a lot of jobs in my constituency, which would certainly go down well in Thunder Bay.

But what people do not understand is that towards the end of the season when the freeze-up begins in the Welland Canal area, the lakers from Thunder Bay are still able to carry export grains to the bay ports. They basically fill up those elevators in the late fall and early winter. That is the grain shipped under the at and east program throughout the winter months to provide a continuous flow for Halifax and Saint John. That will now cease to exist. Instead of having a mix of water and rail east of Thunder Bay, we are going to lose both, because we know that the grain will not be moving.

This is not the first attack on the system. Thanks to the Western Grain Transportation Act passed by the previous Liberal administration just before they were defeated in 1984, there was a section which unwittingly changed the balance in Canada. It changed from a market-driven distribution, and by that I mean it did not matter which direction the grain was going to flow, the price was the same. But under the WGTA, shipments through the west coast are treated, in effect, differently than they are through the east coast. The rail rates are equalized and distributed according to distance between the farm gate, Thunder Bay and Churchill on the east and Vancouver and Prince Rupert on the west, but the water component east of Thunder Bay, and even the rail component east of Thunder Bay is not included. So there was always an extra cost.

The Canadian Wheat Board, which has a mandate to get the highest price for the lowest cost for the producer, something that we fundamentally agree with, is forced to maximize the west coast. This leaves Thunder Bay with the residuals and Churchill with very, very little, even to the point where grain is being exported through the port of Vancouver destined for Egypt and they have to go through the Panama Canal to make that delivery. It is because of the WGTA.

I realize that is not the bill before us, Mr. Speaker, but I thought it was important in the context of the shift away from the traditional water commerce component of the Great Lakes and the shift away from Atlantic Canada and Quebec. As grain movements through the seaway on the Canadian side have gone from 60 per cent of exports going through Thunder Bay and the seaway, we are now down to 30 per cent. That means that Baie Comeau, Port Cartier, Quebec City, Halifax and Saint John are losing valuable vessel traffic. The elimination of the at and east subsidy is only going to make those matters worse. It may mean, for example, that our already dwindling seaway fleet which was 160 or 180 ships 15 years ago, has gone down to 70 or 80 ships currently, with a number of them having been flagged out because there is not enough trade nor is there a positive tax incentive for them to remain in Canada. The reality is that more of those ships are going to be scrapped.

• (1650)

When you take 400,000, 500,000, 600,000 or 900,000 tonnes of grain out of the system there has to be a reduction in the fleet, there is no question about it. I think the government has made a major error. It is trying to play poker at GATT, the General Agreement on Tariffs and Trade, which is meeting to take a look at agricultural subsidies, to try to develop some kind of rules which are fair. But, when you are playing poker, you do not play your hand or fold before you get to the table. You wait until you are playing those cards before you make your decisions, you do not decide to get rid of a subsidy in advance of being at the table. That is what this government has done.

This government is saying that this is an unfair subsidy and that it should not exist, instead of being able to trade it off when it gets to the table. So we say what about the at and east, what about the EEC treatment and the BICEP program in the States?. The government could do a trade-off for that—if we are going to trade—but you do not throw it away before you even start because the impact is too important.

I do not know whether, in this great country of ours, we can ever eliminate some kind of financial assistance to the transporters of our commodities. I say that for one primary reason, the way we are built. We are an extremely long and narrow country when it comes to our population. Distances are very, very great. We produce our grain anywhere from 1,000 to 1,600 miles from our oceans. Argentina, one of our competitors, produces only 100 miles from the ocean. Australia produces at less than 100 miles from its coasts. The United States, with a much larger network of waterways through the Mississippi and other man-made canals are within 100 or so miles of water transport, which I indicated previously is the most efficient, the cheapest and the most environmentally friendly form of transportation of bulk commodities.

We cannot compete on a level playing field because we have to move our bulk commodities thousands of miles just to get to salt water, so that we can then take advantage of the ocean rates and move our goods to the purchasers.

I think the bill is wrong. I know that people in my community feel that it is wrong because they see an ever-declining workforce declining even further. Because of this we will lose jobs in the port, in the elevators, on the railway. We will lose jobs at McDonald's, the corner stores, the restaurants, and the school board. As the jobs decline in one industry, there is a trickle-down effect which means the loss of 2.8 additional jobs for every one job that is lost. That has a major impact on a community which has seen its grain handler workforce go from 1,500 or 1,600 at its peak not too many years ago, to around 700 or 800, if they are lucky, this year, with no end in sight.

I realize I just have a minute or two left. The long-term danger is that if we allow not just Thunder Bay, but the Great Lakes-St. Lawrence Seaway to become a residual carrier of our grains, there will come a time when we will have bumper crops again and the port of Thunder Bay will be asked to move upwards of 25 to 26 million tonnes of grain. It will have to rot in the fields because we will not have the elevators, boxcars or the ships to move that amount of grain. The hon. member said, "Just ship it through the U.S.".

The reality is that they too do not have the capacity to move so much grain any more, nor do they have the kind of quality controls that has led Canada to be the No. 1 producer of quality wheat in this world. It is because of our inspection and handling procedures that the Americans cannot touch our No. 1 position. No country in the world will accept grain that has been trans-shipped through the United States as Canadian grain. It is just not acceptable.

Whether it is for Atlantic Canada, the ports on the Great Lakes, the port of Thunder Bay, the men and women who produce the grain on the prairies, or the people that mill and package the flour, I say this bill should be rejected by this House because it will come back to haunt us and the government time and time again.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise to debate this motion, which in effect is another one of those cracks that we are starting to get used to, taking down Atlantic Canada.

The at and east subsidy program was cancelled in the second last budget of this government. It was cancelled under the guise of deficit reduction. Coming from Atlantic Canada, forgive me if I question the motives of the government or the reasons given for cancelling such a program. Every time we have turned around since this government has been re-elected in November of 1988, we have another reason why it cannot keep its promises or programs to assist Atlantic Canada.

I have listened to most of the debate today and the debate that has taken place up until this point. Anybody watching would be quite aware of the reasons that the at and east program was put in in the first place. It was was to keep Atlantic Canadian ports competitive in the movement of grain and flour, as were the American ports east of Buffalo, New York. It served us well.

As a result of the at and east program, the Canadian government put a cap on the movement of grain to east coast ports, and we were able to maintain a very viable industry in Atlantic Canada, particularly in the port of Halifax. There were over 220 jobs made directly possible and sustainable because of the at and east program.

We have a flour mill in Nova Scotia. It counted on the grain terminal there for its product. We had a terminal in Saint John, New Brunswick, which was very viable as it provided a lot of jobs in that area, an area that has consistently borne the brunt of economic downturns.

They were good jobs. They were healthy. We did not feel that we were getting anything that we should not have received because the government had embarked years earlier on a subsidy program out west. The government did not seem to have any difficulty when it came and told us that it had to rationalize or cut its deficit, explaining that the only place it can cut are the guinea pigs down in eastern Canada, down on the Atlantic.

I am not for one moment suggesting that the government should cut the rail transportation under the Western Transportation Act or the western grain. I am not going to suggest that.

• (1700)

I am not going to suggest that there should be a new benchmark put on the movement of goods down the St. Lawrence Seaway, that everything has to be on cost recovery all the time, because the government of past days has embarked on a transportation policy to ensure that our product was competitive, to ensure that the grain was being shipped from Canadian ports.

When the government felt that, under the guise of deficit reduction, it had to tackle this big problem, did it go after the Western Transportation Act and the subsidies under it? No, and thank goodness for those western ports, for the railroad out west, and for the grain producers.

Did it decide all of a sudden that it had to have increased pilotage fees for the St. Lawrence Seaway for goods that were going down there? Absolutely not. When it came time for the government to address what it thought or said was such a serious problem, it only went one place. It went after the at and east program, the program that was directly benefiting Atlantic Canada, most particularly Halifax and Saint John.

Now that by itself would give reason for great concern, because it appears once again that the government is proceeding with unholy haste to punish people in Atlantic Canada for having the foresight not to elect these guys opposite, at least not very many of them, and for having seen through the very thin veil that they presented of progressivity during the last election campaign. Every time we turn around they are creating another excuse to damage industry in Atlantic Canada. Goodness knows, if there is one industry in Atlantic Canada that does not need the type of pummelling that this government has given our other industries, it is the shipping industry.

I rose in this House after the last budget and I raised some real concerns about basically a tax on the profits of the ports in this country. I raised a concern that the U.S. ports, particularly the ports of New York, were pouring billions of dollars into facility upgrading, because they wanted to take business from the east coast Canadian ports.

At the same point in time, Canadian Pacific and Canadian National were looking at acquiring lines directly from New Jersey or New York up to the Montreal market, and up to the Toronto and southern Ontario markets. At the same time, we see this government abandoning any responsibility for a national rail link in this country.

I talked to officials from the port of Halifax and they said that things were not good but they did not want to say it too loud and were going to try to work through the system. In trying to work through the system we saw what happened. Shortly after this particular budget and that particular cut-back, a dividend of $100 million is what the finance minister required of the ports on the east coast by way of a tax. They wanted a dividend.

The port of Halifax has been struggling to maintain its competitiveness, particularly as a result of the government's abandonment of a national rail policy. It had to cancel two major expansion projects, which makes it less competitive. The port of Halifax has been a very healthy part of our economy in Atlantic Canada, and at the very time that it is feeling the increased pressures of competition from the Atlantic seaboard ports, particularly the ports of New York, down south of the border, the government comes in with what it considers to be a necessary reduction of subsidy that, God forbid, is only going to affect Atlantic Canada. They have not rethought the rest of their domestic transportation policy or agricultural product transportation policy.

Perhaps, Mr. Speaker, we have heard this song before. When we went into the free trade debate, the government was so absolutely adamant that the Prime Minister of the day had to have a comprehensive free trade deal that they showed their hands to the Americans. The Prime Minister said on a nationally televised show that his political future and that of his government depended

on his government concluding a comprehensive trade deal with the United States, and the U.S. took them right to the wire at 11.30 at night because they knew what he had said, he had showed his cards, and as a result we got a free trade deal without even the definition of a subsidy in it.

Now as we go through further negotiations on the definition of a subsidy, as the GATT negotiations continue, and the subsidies in the agricultural sector, it appears we have had another little giveaway. The little giveaway that we have had is called the at and east program, which at this point, Mr. Speaker, has already shut down the terminal in Saint John. Fully 60 per cent of the feed grain that is going through Halifax is subsidized grain under this program, 100 per cent of the flour is subsidized and, as I said earlier, there are nearly 300 jobs, 250 jobs at least. In Halifax alone last year before this regressive change came in, 372,486 tonnes of export grain were handled in the port of Halifax.

I just want to let everybody know that we are not talking about a city the size of Toronto where 250 jobs perhaps do not mean very much. We are talking about an area of about 325,000 people.

There were 201,676 tonnes of export flour moved through the port of Halifax in 1988. I was reading a statistic before I came in which I think stated that every tonne of product, of grain or flour that is moved through that port, is equivalent to one stevedore's job.

The Atlantic Provinces Transportation Council came before the transport committee. I am glad that the chairman of the transport committee had the good sense not to wait for the government to get this bill through second reading and referred to committee. That particular committee, under the chairmanship of the member for Annapolis Valley–Hants, did an advance examination of the effects of this particular subsidy cancellation and it found out what was happening.

This subsidy was cancelled last year without this bill ever being passed by Parliament, and I should remind all Canadians of that. This government does not even care to hear the full debate on the merits of its legislation. It just goes and introduces it and then cancels it. It knows that once it cancels it, once a grain terminal shuts down, once 100 or 200 people are put out of work, the impact is gone by the time the bill receives Royal Assent, if it ever receives Royal Assent in the other place.

When the Atlantic Provinces Transportation Council went to the transport committee, and I think it was on February 20, it had already talked about the major economic impact. At the port of Halifax, throughput at the Halifax elevator for the coming year in terms of export grain is expected to be no more than 60,000 tonnes. That is down from the last year in the program which was 372,000 tonnes.

The government did not care. It went ahead and introduced the bill last year. It saw it had some trouble on the other side and decided to put it off until the fall. But the impact has already hit Atlantic Canada. The impact on the poultry industry and the livestock industry in Atlantic Canada is going to be severe because of the shutdown of the terminal in Saint John and because of the decreased traffic through the one in Halifax which means that the per unit cost goes up in Halifax. We are going to find that the Atlantic Canadian poultry and livestock producers are going to be at an even worse disadvantage than their counterparts in the industry in Ontario, Quebec and western Canada. Goodness knows, they certainly do not need that. They are having a hard enough time as it is.

The government did not wait for a full investigation as to the impact of what it was doing. It was in such haste to give away another card in the GATT negotiations that it gave us away. It cancelled the program and it has already had its effect.

I listened to the member for Annapolis Valley—Hants earlier, and I have to commend him. I was in my office and I listened to his remarks on television. The member for Annapolis Valley—Hants has the backbone to stand up in this House and stand against the government. He had the backbone to stand up and speak for the people in Atlantic Canada who elected him. I listened to him make a plea to his fellow Conservative members from Atlantic Canada for once not to be led like dogs on a leash, not to be dragged along for fear that somehow they were going to be left out in the cold when the Prime Minister reshuffles his cabinet, and to do what was right and fight this legislation and vote against this piece of legislation.

He did that for a couple of reasons. One reason is that I believe that the member for Annapolis Valley—Hants has a keen understanding of the agricultural industry. He has been around long enough to smell a bad bill. He knows this bill is a very bad bill. He also is a little annoyed that there was a report put into the department

back in 1985 by the Atlantic Provinces Transportation Council and it recommended some alternatives. It recommended some amendments to the at and east bill that would have saved the government a lot of money, at least half of the money that was going into subsidies. It has never even received a reply.

• (1710)

On February 19, in a major effort toward compromise and to try to bring the government to its senses, what did it do? It came in with a set of proposals which should have been acceptable to the government, if the government had not already enacted the regulations last July. The member for Annapolis Valley—Hants was absolutely incensed today, as he should have been. I am incensed, as are other members from Atlantic Canada, that the Atlantic Provinces Transportation Committee has not even heard a response, nor has the government uttered a word about the proposals that were put forward on February 19.

My hon. colleague and friend from Halifax West, at the other end of the province right next to my riding, did not seem to have the same gumption to stand up. The last time this was before the House, the hon. member for Halifax West stood up and said, in defending this unconscionable cut, this double standard bill on the way that the east and west coast ports and the St. Lawrence ports are treated in this country, that the at and east subsidy should be cut. Then he challenged the opposition instead to join him in lobbying the government for direct assistance to farmers, the Port of Halifax and operators of the grain elevators. Who, in the name of goodness, does he think he is talking to? He says to his colleagues who are opposing this very bad piece of legislation, and opposing it on good grounds, not to complain that the thing has to be done away with, but help him lobby.

We have seen the effect of his lobby. He is the Parliamentary Secretary to the President of the Treasury Board. If he has lobbied, he has had absolutely no success. It was just around that time that the Minister of Finance came in with a budget that in effect took $100 million away from the Canada Ports Corporation and, as I mentioned earlier, caused the cancellation of two major expansion programs in the port of Halifax and is going to make the port of Halifax and every other east coast port less competitive than its American counterparts.

The hon. member for Halifax West should learn a lesson. The lesson is that sometimes it is better not to be led around by the nose. Sometimes it is better to get off the picket fence and try not to have a foot on both sides of the line and to take a stand on an issue. When you take a stand on an issue, sometimes perhaps that sharp point you get from the fence will alleviate the pain. Perhaps, just perhaps, the pain will be lessened the next time that members such as he have to go to the ballot box and explain the comments he made about how everything is all well and rosy down east with the cancellation of the at and east subsidy.

Mr. Crosby: You certainly know all about the ballot box, having been there once.

Mr. MacDonald (Dartmouth): I am very happy to see that he has come into the House. I have had many of his own constituents call and ask me if I could make any sense at all out of his comments. I told them I had listened carefully to his comments, but as of yet there is not any sense. Perhaps a little later in this debate he will tell us exactly what he means, and also explain why there is a difference between his statements on the at and east subsidy, since he represents a riding near Halifax harbour, and the statements of the member for Annapolis Valley—Hants who seems to have the best interests, not just of the port of Halifax, but of the farmers of Atlantic Canada at heart.

This bill should be defeated. This bill is a thinly veiled attempt to further cut subsidies in Atlantic Canada. If the government is serious about addressing the problems in the grain transportation sector, then it should do it all at once. It should not use Atlantic Canada as a guinea pig, as a sacrifice on the GATT altar, as a sacrifice in the free trade negotiations. It should come up with a policy that recognizes the importance of maintaining the viability of ports like Halifax, not just for the trans-shipment of grain or flour, but make them much more viable than they currently are because of this government's policies.

The last thing I want to see, as an Atlantic Canadian, is this government being allowed to go forward with policies that are going to shut down what should be one of our most prosperous and viable sectors, at the expense, not just of jobs in Atlantic Canada, but also to

the great benefit of the ports in the New Jersey and New York areas.

I urge my colleagues opposite from Atlantic Canada to take a page from the book of the member for Annapolis Valley—Hants, show some gumption, show a great deal of skill and concern for the people of their area, and vote against this bill.

The Acting Speaker (Mr. Paproski): Questions or comments, the hon. member for Halifax West.

Mr. Howard Crosby (Parliamentary Secretary to President of the Treasury Board): Mr. Speaker, thank you very much for this opportunity to dispel some of the myths that the hon. member for Dartmouth has just tried to project on the House of Commons, but I hope not across Canada.

In the first place, the at and east is dead and gone. It was finished June 23, 1988, when people stopped making use of it and the shipments under that subsidy provision stopped. We are here simply putting a *finis* to a book that has already been written, read and over with.

The member does not understand that. He likes to take the opportunity to get up in the House and spout off on a subject which no longer has any practical application. The at and east is finished. He does not bother to mention that the millions of dollars poured out over a long period of time under the at and east subsidy went to Canadian National Railways. They did not go to farmers, the grain elevators or the port of Halifax. They went to Canadian National Railways. What he is doing is asking the House of Commons to continue to pay more and more money to the Canadian National Railways because of the trickle down effect to the east coast ports, some farmers and some other areas of activity.

Getting rid of the at and east means that we have a new opportunity to accomplish the desirable ends in a direct fashion and not working through some outmoded subsidy. He does not even know that the competition is no longer between the east coast Canadian ports and U.S. ports, which was the origin of the at and east, but it is between Canadian ports. Fortunately, our very efficient port in Halifax can compete against the U.S. ports, but it has a little difficulty competing against the St. Lawrence ports, given the subsidization that they were given over the years by the Liberal government's failure to collect ice fees, providing free ice-breaking, and so on. That is why we are at a disadvantage, not because of any policies of this government.

It is a shame that a member of Parliament should get up and preach rhetoric and falsehoods to the members of the House of Commons, when he should know better, but he does not know better. He does not understand the at and east. He apparently does not know that the Atlantic Provinces Transportation Commission, representing the three maritime provinces, has said time and time again: "Get rid of the at and east but give us offsets".

That is why I stood up in the House of Commons and said that the at and east is dead. Forget the at and east. Get on with obtaining suitable offsets to accomplish the benefits for the port of Halifax, the grain industry, the feed freight that the farmers require, and all of those things.

I say to him once again, as I complete my remarks, please recognize the simple fact that the at and east is dead. Give it a decent burial and go on to accomplish something in the future for your constituents, and all the people in Halifax. Stop the rhetoric and get on with reality.

Mr. MacDonald (Dartmouth): Mr. Speaker, certainly I do not need a lecture from the member for Halifax West about the at and east program or representing the people of Atlantic Canada.

Mr. Crosby: Yes, you do. You need a lecture.

Mr. Fontana: You need a muzzle.

Mr. MacDonald (Dartmouth): My hon. friend from London is issuing a statement that might be more appropriate than anything that has been said in the House today.

I would like to address the comments that were just made by my colleague from Halifax West. I am not a great card player, but I do not think that when you are sitting down and playing poker with the jobs and the livelihoods of hundreds of people in Atlantic Canada that what you say, especially with this government, is that it will do away with the program and we will worry about the offsets later. He is quite correct that the Atlantic Provinces Transportation Council came up in 1985 and recommended some offsets. When they recommended

the offsets, this government did not even have the decency to respond.

The member for Annapolis Valley—Hants said a few minutes ago when he got up in debate in this place that he was appalled. The member for Halifax West should be appalled that the Atlantic Provinces Transportation Council once again on February 19 put some proposals forward but this government did not even give it the decency of a reply because this government does not want to listen. It is hell bent on destroying the transportation sector right across this country, particularly in Atlantic Canada.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. member for Nepean.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to stand here in the House today to address Bill C–26, an act to amend the Railway Act, which terminates the at and east subsidy for the movement of grain and flour to eastern Canadian ports.

I listened with a great deal of interest to the impassioned speech of my colleague from Dartmouth, Nova Scotia. Someone might wonder why I, from central Canada, am here speaking on this bill. I am very familiar with Atlantic Canada. I know what is going to happen to the ports in Atlantic Canada and I am very pleased to be speaking.

• (1720)

First, I want to make it clear that we are discussing a bill today at second reading which in reality has already become law. Second reading has not been completed. It has not received committee study. It has not had third reading. It has not had Senate approval. It has not had Royal Assent. This is just another prime example of a government which has absolute contempt for the workings of this Parliament. The subsidy we are discussing today has already been terminated. It was terminated over a year ago. It is a *fait accompli*.

The arrogance of it is only equalled by other examples set by this same government. In August of 1989, it placed full–page ads in the newspapers across the country which stated that "Canada's federal sales tax system will change. Save this notice". The ad was rebuked by the Speaker of this Parliament. He said at that time it was a contempt of Parliament. Again, this government's arrogance knows no bounds.

The at and east grain and flour subsidy program, which has been in effect since the mid–1960s, was created not only to offset some of the economic advantages that U.S. eastern ports had over Canadian eastern ports, but also because Canadian farmers needed a place to consolidate their grain shipments for export. As the Hon. Jack Pickersgill said in 1966 when this legislation was being discussed: "One of the aims of the subsidy was to ensure that we will have rates which will provide some inducement and incentive to shippers to use the facilities of Atlantic ports".

Atlantic Canada had flour mills that needed a steady supply of the grains which were eligible for the subsidy, grains such as wheat, wheat flour, oats, barley, rye, corn, buckwheat and soybeans.

The Minister of State for Indian Affairs and Northern Development, who spoke for the Minister of Transport when this bill was referred to the House for second reading, said that the terminating of the subsidy will "stimulate creativity and innovation. It will allow the industry to take advantage of unanticipated sales opportunities, no longer constraining potential cost savings".

Why should we believe this government? Nothing it promises comes true. I do not think that the 1,200 workers whose jobs are connected to Bill C–26 will believe this government either, nor will the 320 transport workers and the 295 who hold milling jobs in western Canada, the 75 workers in Georgian Bay ports, the 85 who hold jobs in Halifax and Saint John, and the 402 workers in central Canada.

This is the same government whose leader said in 1988: "I know something about the maritimes. As one whose first seat in Parliament was Central Nova, I feel something special for Atlantic Canada and its needs". Well, I certainly hope that the Prime Minister never tries to seek a seat in Atlantic Canada again, because I am sure he would never get it.

The government has slashed the Atlantic Canada Opportunities Agency and it has sold out Atlantic fishermen to foreign interests. Now this government has continued to inflict hardship on Atlantic Canada with the cutting of the at and east grain and flour subsidy.

The government says it will save $40 or $60 million by ending the at and east subsidy. Let us not forget the $200 million cut out of crop insurance, $48 million cut out of advance payments for grain, $15 million cut out of the Farm Credit Corporation, $12 million cut from the Canadian Dairy Commission; a total of 339 farm support programs alone in the 1989 budget, and this government talks of saving $40 million or $60 million by cutting the at

and east program as if it was the sole cut-back in farm subsidy.

All of these cuts come at a time when the government's own figures are showing that for the coming year farm incomes will drop in Canada 39 per cent; 101 per cent in the province of Saskatchewan, 87 per cent in Manitoba. All of this is because of cuts to their industry and this government's disregard for farmers.

The cut-backs for the coming year will see the income drop by $2.6 billion, a drop of 64 per cent. All of these cuts are coming at a time when the United States, our partner in the free trade deal, is getting ready to increase its export enhancement program.

It seems very odd to me that we are cutting back on our subsidies while at the same time our neighbours to the south are increasing theirs. This year the U.S. export enhancement program will see at least $566 million in their export programs.

By withdrawing the at and east subsidy, the markets in Atlantic Canada will now be available for imported grain out of the U.S. and other countries. Yet again Canadian producers will be deprived of another market. Atlantic Canada will have to look elsewhere for its purchases.

The withdrawal of the at and east subsidy will place a heavy burden on livestock and poultry producers in Atlantic Canada and it will take away a traditional market from western farmers.

According to this government, the free trade deal was going to benefit Canadians because it would open up agricultural markets for Canadians. We have seen the regard the U.S. has for Canadian agriculture. It used GATT to gain entrance for its dairy products into Canada and one can only wonder how the Americans will benefit from the terminating of the at and east subsidy.

According to the Canadian Transport Commission, Canadian flour exports will be practically non-existent without the subsidy. The government should realize that the at and east is an important part of processing in Canada. Yet, according to this government, there is a lack of processing of highly-processed agri-food products here in Canada.

This government continues to contradict itself time and time again. It says we need more processing yet it cuts back on subsidies to enhance processing. This government talks about regional sensitivity and about a viable agricultural industry in Atlantic Canada but it has yet to demonstrate it.

In conclusion, it is time this government stood up for the interests of Canadian farmers. The U.S. is putting in place an export subsidy program while at the same time we are removing ours.

The at and east subsidy must be reinstated and the government should begin to fight for a level playing field. This government must act hastily to resolve the subsidy program before more farmers suffer further devastation.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I appreciate the opportunity to again address this bill. I do not propose to go on for too long having addressed the merits of it some time before, but I do want to make a few comments.

First, a few moments ago I listened to the member for Halifax West. I was amazed at the comments he made. I was appalled at his ignorance of the effect that this bill is having on his own riding.

He has got some basic facts wrong in the first place. He said that the program ended June 23, 1988. Well, it did not end June 23, 1988. For his edification, the bill was announced in April 1989 in the budget and the government effectively withdrew the program on July 15, 1989.

This member also talked about competition with the port of Montreal which is correct. The ports of Halifax and Saint John have some difficulty competing with the port of Montreal, that is very true. In fact, the Atlantic Provinces Transportation Commission back in 1985 recognized that point and that is why it put forth a proposal at that time.

If this member was paying any attention to his own riding, he would realize that. For him to stand in the House and make those comments is simply appalling. He should be ashamed of himself at what he is saying.

This bill is simply an example of this government's arrogant attitude to Parliament and its arrogant attitude

to this country. It is not surprising. This is the government that has brought in closure or time allocation something like 35 times since it has been in office. It has acted in an arrogant manner in a whole host of areas and this is simply one example.

The fact is that there is a very logical alternative to at and east as it stands now, a proposal that was put on the table in 1985 by the APTC, which is a very well respected organization.

• (1730)

In fact, the member from Halifax West should take the time to have a chat with those people. They might educate him a little bit on their concern for the at and east and their concern for this bill.

The effect this bill is going to have on Atlantic Canada is outrageous. It is going to affect $27 million to $30 million per year for the ports of Halifax and Saint John. It is going to put something like 250 to 300 people directly out of work. The elevator at Saint John is already closed. The elevator at Halifax is in danger of closing. Rail crews will be laid off, longshoremen, maintenance workers, elevators workers all laid off. Dover Flour Mills is on the verge of closing.

The member from Halifax West will appreciate knowing that Dover Flour Mills is now effectively out of the commercial flour market because of the loss of this program. In fact, if the Halifax elevator closes, and it may well close in the near future, then Dover Flour Mills will very likely close. If the Halifax elevator closes, it is going to have a devastating effect on the livestock industry, the poultry and hog industries in Atlantic Canada. In Atlantic Canada alone, the poultry industry is a $125 million a year industry.

In Atlantic Canada, despite the good efforts they have made with respect to growing their own feeds and grains in that area, they are still dependent upon western grains. When this program is gone, if the Halifax elevator closes, the storage facilities will be reduced. I do not know what the member's alternative is to storage facilities for the agricultural industry in Atlantic Canada if the Halifax elevator closes. The ripple effect is outstanding, especially when we have a fishing industry that is in desperate straits.

I was in Nova Scotia last week. While the fishing industry is having a very difficult time, things are not going too badly in the Annapolis Valley. People are are doing better than other areas. One wonders with the bill this government now has before the House whether it is its objective to drive Atlantic Canada into poverty. If it is, it they is doing very well and has been very successful.

Mr. Speaker, the Canadian Wheat Board has indicated that they like having ice-free ports in Atlantic Canada, at Saint John and Halifax. Certain customers, Cuba for example, would prefer to pick its grain up from Halifax or Saint John as opposed to Montreal. But all things being equal, if there are no ice-free ports, then they may just go elsewhere. There is concern that the western producer may lose markets. The ripple effect is outrageous.

The thing that is so frustrating about this bill, is that there is an alternative. It has been on the table for five bloody years and this government never paid attention to it. In fact, when the minister rose in the House to make her speech about this bill, she did not know anything about it. If this government paid a little more attention to the people of this country—

An hon. member: She has the same problem.

Mr. Laporte: —it would go a lot farther.

I just want to indicate that this bill will be going to a legislative committee. I hope the legislative committee will be making a thorough examination of this bill and hearing a number of witnesses and coming back to the government with its alternative. Perhaps the member for Halifax West would appreciate being part of that. I hope he is, because it would be very good for him to learn something.

I want to compliment the member from Annapolis Valley—Hants. He knows the situation. He has had the courage to stand up in this House and say that he is going to oppose this bill. I think that takes a lot of courage, especially in light of how this government handles people who even make any indication of opposing the government. Heaven forbid. The government never makes a mistake. I commend the member for that. I think it is very courageous for him to do that. I wish the member from Halifax West would consider such an alternative.

In conclusion, the legislative committee will be looking at this bill and coming back with some recommendations. There are some very good recommendations. There is a very good alternative on the table. If this government will look at it, it will cut the cost of the at and east program in half. It will keep the ports of Halifax and Saint John viable. It will retain the jobs and it will be

good for Atlantic Canada. It will be good for western Canada. It will be good for all of Canada.

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

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Mr. Jean-Robert Gauthier (Ottawa—Vanier): We all know that there will be a vote at seven o'clock as a result of a decision of this House made last week which deferred the vote on Bill C-15 to seven o'clock tonight. I just wonder if there would not be a disposition at this time for us to defer this vote to seven o'clock tonight and have all the members here to vote on Bill C-15 at that time.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I think the Standing Order requires that vote tonight to begin with a bell at seven o'clock, with a vote at 7.15 p.m. Certainly the government would have no objection continuing past those votes and into this vote at that time. To be clear to all members who would be listening in their offices, the bell is at seven o'clock and the vote, I believe, is at 7.15 p.m.

The Acting Speaker (Mr. Paproski): Is it agreed.

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): I will now suspend the House until seven o'clock.

SITTING SUSPENDED

At 5.37 p.m. the sitting of the House was suspended.

SITTING RESUMED

The House resumed at 7 p.m.

* * *

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

The House resumed from Friday, April 27, consideration of Bill C-15, an act respecting plant breeders' rights, as reported (with amendments) from a legislative committee.

The Acting Speaker (Mr. Paproski): It being seven o'clock, pursuant to Standing Order 45(6) the House will now proceed to the taking of the deferred division at the report stage of Bill C-15, an act respecting plant breeders' rights.

The question is on Motion No. 1 standing in the name of the hon. member for Mackenzie.

Call in the members.

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

(*Division No. 248*)

YEAS

Members

Althouse	Angus
Benjamin	Brewin
Edmonston	Fisher
Harvey (Edmonton East)	Hovdebo
Hunter	Karpoff
Langan (Mission—Coquitlam)	Laporte
McLaughlin	Taylor
Whittaker—15	

NAYS

Members

Anderson	Andre
Arseneault	Atkinson
Beatty	Bélair
Belsher	Berger
Bernier	Bertrand
Bevilacqua	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Lac-Saint-Jean)	Boudria
Bourgault	Boyer
Cadieux	Campbell (South West Nova)
Cardiff	Chadwick
Clancy	Clark (Yellowhead)
Cole	Corbeil
Côté	Couture
Crawford	Crosbie (St. John's West)
Crosby (Halifax West)	Darling
DeBlois	de Cotret

Dingwall	Dionne
Domm	Dorin
Duplessis	Fee
Ferguson	Ferland
Finestone	Fontaine
Fontana	Foster
Friesen	Gaffney
Gagliano	Gauthier
Greene	Guarnieri
Halliday	Harb
Hawkes	Hicks
Hockin	Hogue
Hopkins	Horner
Horning	Hudon
James	Jelinek
Johnson	Joncas
Kempling	Kilger (Stormont—Dundas)
Langlois	Larrivée
LeBlanc (Cape Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Lewis
Littlechild	Loiselle
Lopez	MacDonald (Dartmouth)
MacDougall (Timiskaming)	MacKay
MacLellan	Marin
Marleau	Martin (Lincoln)
Mazankowski	McCreath
McDermid	McGuire
Merrithew	Mifflin
Mitges	Monteith
Moore	Nault
Oberle	Pagtakhan
Pickard	Plamondon
Porter	Pronovost
Proud	Reimer
Ricard	Richardson
Robichaud	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Simmons	Sobeski
Soetens	Speller
Stevenson	Thompson
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Vanclief
Van de Walle	Vankoughnet
Vézina	Walker
Weiner	White
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)
Wilson (Etobicoke Centre)	Winegard
Worthy	Young (Gloucester)—132

• (1920)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

Hon. Don Mazankowski moved that the bill be concurred in.

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

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

The Acting Speaker (Mr. Paproski): When shall the bill be read a third time? By leave, now?

Some hon. members: Agreed.

Mr. Angus: No.

The Acting Speaker (Mr. Paproski): At the next sitting of the House.

Government Orders

RAILWAY ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Lewis, that Bill C-26, an act to amend the Railway Act (grain and flour subsidies), be read the second time and referred to a legislative committee, and the amendment of Ms. Clancy (p.8227).

The Acting Speaker (Mr. Paproski): The House will now proceed to the taking of the deferred divisions.

Shall I dispense with the ringing of the bells?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): The question is on the amendment.

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

(Division No. 249)

YEAS

Members

Althouse	Angus
Arseneault	Bélair
Benjamin	Berger
Bevilacqua	Boudria
Brewin	Campbell (South West Nova)
Clancy	Crawford
Dingwall	Dionne
Edmonston	Ferguson
Finestone	Fisher
Fontana	Foster
Gaffney	Gagliano
Gauthier	Guarnieri
Harb	Harvey (Edmonton East)
Hopkins	Hovdebo
Hunter	Karpoff
Kilger (Stormont—Dundas)	Langan (Mission—Coquitlam)
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacDonald (Dartmouth)
MacLellan	Marleau
McGuire	McLaughlin
Mifflin	Nault
Pagtakhan	Pickard
Proud	Robichaud
Simmons	Speller
Taylor	Vanclief
Walker	Whittaker
Young (Gloucester)—53	

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bernier
Bertrand	Blackburn (Jonquière)
Blais	Blenkarn
Bouchard (Lac-Saint-Jean)	Bourgault

Boyer
Cardiff
Clark (Yellowhead)
Corbeil
Couture
Crosby (Halifax West)
DeBlois
Domm
Duplessis
Ferland
Friesen
Halliday
Hicks
Hogue
Horning
James
Johnson
Kempling
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Mazankowski
Merrithew
Moore
Plamondon
Pronovost
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Thompson
Turner (Halton—Peel)
Van de Walle
Vézina
White
Wilson (Etobicoke Centre)
Worthy—91

Cadieux
Chadwick
Cole
Côté
Crosbie (St. John's West)
Darling
de Cotret
Dorin
Fee
Fontaine
Greene
Hawkes
Hockin
Horner
Hudon
Jelinek
Joncas
Langlois
Leblanc (Longueuil)
Littlechild
Lopez
MacKay
Martin (Lincoln)
McDermid
Monteith
Oberle
Porter
Reimer
Richardson
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Tremblay (Lotbinière)
Valcourt
Vankoughnet
Weiner
Wilbee
Winegard

• (1930)

The Acting Speaker (Mr. Paproski): I declare the amendment lost.

The next question is on the main motion.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. Paproski): In my opinion the yeas have it.

And more than five members having risen:

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

Mr. Gauthier: Mr. Speaker, in the interest of saving time, I think you would find there is unanimous consent to apply the vote just taken on our amendment, which is an important one, and apply it to the main motion, but in reverse. I take it the government would insist on that.

Mr. Angus: Mr. Speaker, I too wish to indicate that we would be prepared to agree with that. However, in light of the celebration we just had for the member for Regina—Lumsden, perhaps the government would like to change its mind. Why do that to the at and east rate on Les' birthday?

Some hon. members: Oh, oh!

The Acting Speaker (Mr. Paproski): Is it agreed? The hon. government whip.

Mr. Hawkes: Mr. Speaker, we agree to apply the vote in reverse in spite of the fact that it is his birthday.

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

(Division No. 250)

YEAS

Members

Anderson
Atkinson
Belsher
Bertrand
Blais
Bouchard (Lac-Saint-Jean)
Boyer
Cardiff
Clark (Yellowhead)
Corbeil
Couture
Crosby (Halifax West)
DeBlois
Domm
Duplessis
Ferland
Friesen
Halliday
Hicks
Hogue
Horning
James
Johnson
Kempling
Larrivée
Lewis
Loiselle
MacDougall (Timiskaming)
Marin
Mazankowski
Merrithew
Moore
Plamondon
Pronovost
Ricard
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Thompson

Andre
Beatty
Bernier
Blackburn (Jonquière)
Blenkarn
Bourgault
Cadieux
Chadwick
Cole
Côté
Crosbie (St. John's West)
Darling
de Cotret
Dorin
Fee
Fontaine
Greene
Hawkes
Hockin
Horner
Hudon
Jelinek
Joncas
Langlois
Leblanc (Longueuil)
Littlechild
Lopez
MacKay
Martin (Lincoln)
McDermid
Monteith
Oberle
Porter
Reimer
Richardson
Schneider
Scott (Hamilton—Wentworth)
Sobeski
Stevenson
Tremblay (Lotbinière)

Turner (Halton—Peel)
Van de Walle
Vézina
White
Wilson (Etobicoke Centre)
Worthy—91

Valcourt
Vankoughnet
Weiner
Wilbee
Winegard

NAYS

Members

Althouse
Arseneault
Benjamin
Bevilacqua
Brewin
Clancy
Dingwall
Edmonston
Finestone
Fontana
Gaffney
Gauthier
Harb
Hopkins

Angus
Bélair
Berger
Boudria
Campbell (South West Nova)
Crawford
Dionne
Ferguson
Fisher
Foster
Gagliano
Guarnieri
Harvey (Edmonton East)
Hovdebo

Hunter
Kilger (Stormont—Dundas)
Laporte
Lee
MacLellan
McGuire
Mifflin
Pagtakhan
Proud
Simmons
Taylor
Walker
Young (Gloucester)—53

Karpoff
Langan (Mission—Coquitlam)
LeBlanc (Cape Breton Highlands—Canso)
MacDonald (Dartmouth)
Marleau
McLaughlin
Nault
Pickard
Robichaud
Speller
Vanclief
Whittaker

Bill read the second time and referred to a legislative committee.

The Acting Speaker (Mr. Paproski): It being 7.36 p.m., this House stands adjourned until tomorrow at 11 a.m. pursuant to Standing Order 24(1).

The House adjourned at 7.36 p.m.

HOUSE OF COMMONS

Tuesday, May 1, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for Science): Mr. Speaker, I am pleased to table, in both official languages, a number of Order in Council appointments which were made by the government. Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for Science): 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 numbered as follows: 5484, 5488, 5489, 5490, 5532, 5560, 5627, 5651.

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

* * *

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition on behalf of a number of constituents from Kamloops concerning the government's goods and services tax that is now before the Liberal Senate.

They are asking that the tax be stopped. They point out a whole set of reasons why they feel it ought to be stopped. One of the reasons is that it taxes reading, which makes Canada the only country in the world that does so.

They call upon the Liberals in the Senate to stop the tax.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another matter I have a petition to present from a number of western Canadians who point out the benefits to a country the size of Canada having a first class passenger rail service.

They also point out that all large countries like Canada have first class passenger rail service which is the most environmentally friendly way to travel.

They are urging the government to reconsider its decision to abandon a good part of the VIA system in the country.

CHILDREN'S BILL OF RIGHTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on a third matter I have a petition to present from petitioners who point out the increasing number of Canadian children who find themselves living in poverty. They point out that the number is actually increasing during these trying economic times for many families.

• (1110)

They are asking that the government support the initiative first introduced by the hon. member for Mission—Coquitlam calling for a comprehensive bill of rights for children in Canada and to implement policies and take initiatives that would ensure that Canadian children cease living in poverty.

VIA RAIL

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have the honour to present a petition certified correct under the Standing Orders. It is from a number of my constituents who are calling on the government again to save the VIA Rail system.

The government has already taken action to cut back the railway. Yet, Mr. Speaker, you will know that on Vancouver Island we still have our VIA system thanks to the protection granted to that passenger service by the Supreme Court of the Province of British Columbia. My constituents are concerned that the National Transportation Agency in its biased method has dismissed a fair appeal on this rail system.

This petition is signed by a number of constituents who live on Vancouver Island.

WOMEN'S CENTRES

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have another petition as well from people in the communities of Tofino, Ucluelet and Port Alberni in my constituency who have expressed their opposition to the cut-back in funding of the women's programs of the Secretary of State, and in particular the core funding that was provided to women's centres across Canada.

The petitioners are asking that the funding be reinstated so that those women's centres can provide the kind of service that is so desperately needed in communities in my riding such as Tofino, Ucluelet, Port Alberni, Courtenay, Parksville and Qualicum Beach.

GOODS AND SERVICES TAX

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, pursuant to Standing Order 36 I have another petition to present with 405 names on it. I would like to add these names to the thousands of names that I have already presented to this House.

This petition is from people who are calling on the House and the government to reject the current proposal for the goods and services tax. They are asking the government to cease with its proposal which would shift the tax burden on to ordinary Canadians through a regressive consumption tax instead of through real tax reform.

EDUCATION WEEK

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, as this is Education Week in Ontario, I take pleasure in tabling a petition signed by a great number of students from the University of Ottawa who would like to tell the House that they feel that the present situation concerning post-secondary educational institution standards is indeed sad. They point out that they are in over-crowded classrooms, working with obsolete laboratory equipment and so on.

They would like to have the House of Commons and Parliament commit to arranging as soon as possible a federal-provincial conference of the highest political representatives to establish obligations of the two levels of government, that is the provinces and the federal government, to financing post-secondary education, and to ensure an end to the shameful neglect of higher education in Canada.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for Science): Mr. Speaker, I suggest that all questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—ABORIGINAL RIGHTS

Mr. David Walker (Winnipeg North Centre) moved:

That this House reaffirm that all persons are equal under the law and demand that the government (1) promote this fundamental human right for Canada's aboriginal peoples, (2) ensure that our system of justice is more responsive and suitable, (3) pursue alternative aboriginal justice initiatives, and (4) in cases of jurisdictional conflict, that the Government of Canada, in consultation with aboriginal leaders, ensure the protection of the life, liberty, and security of aboriginal people who are entitled to the status of Canadian citizens.

He said: Mr. Speaker, thank you for this opportunity to consider my motion.

It is time to lay out for the people of Canada in detail the extent to which the plight of our aboriginal peoples has become a national tragedy. Today, I only want to deal with one aspect of this tragedy, the question of human rights and our Canadian society.

As Canadians we have long pointed our fingers at others, and for good reason. The stories of El Salvador, Iran, Nepal, China and the Soviet Union, to mention

only a few, have brought senseless grief to millions. We have a right and an obligation to speak out as a democratic society in an undemocratic world.

With that privilege also comes an obligation. That obligation is to put our own house in order, to ensure that every Canadian is looked after in the spirit of a truly democratic society, and to ensure that this spirit is present in the structure of our judicial system, in the daily application of our laws, in the operation of our governments and in the political system itself.

We must give substance to our Charter of Rights which guarantees that:

> Every individual is equal before and under the law and has the right to the equal protection and equal benefit of the law without discrimination and, in particular, without discrimination based on race, national or ethnic origin, colour, religion, sex, age or mental or physical disability.

Sometimes these words have to be read in the House to remind ourselves as to what our obligations are as representatives of Canadians.

It is finally dawning on all Canadians that words are not enough. We are losing our way, and nothing shows our lack of commitment more than the way we treat this country's aboriginal peoples.

This motion is not based on my own opinion, but on the research, views and analyses of every individual, committee and commission that has looked into the critical problems facing our aboriginal peoples.

We are using this opposition day to request that the government show some understanding, some sympathy and some concrete movement in reaching out to these Canadians, and to recognize that the experience of aboriginal peoples is the dark side of our reality. We are bringing these issues forward so that we can leave behind the stage of denial and compel the Government of Canada to show good faith to the world. The aboriginal peoples are, after all, our people, and should be our friends and neighbours.

The law, and in many respects we have to say bluntly, the white man's law, has been unkind to Canadian aboriginal peoples. Throughout much of our history the law, like a two-edged sword, has denied natives the freedom to exercise the fundamental prerogatives of their ancestors and the Europeans who occupied their lands.

In the years which followed Confederation, one province after another enacted legislation which excluded natives from the franchise. In 1875, for example, British Columbia decreed that "no Chinaman or Indian" could vote, a provision which was upheld by the Judicial Committee of the Privy Council, the highest court in the British Empire. Quebec, the last province to repeal its discriminatory legislation, only did so in 1969.

On the federal level, aboriginal peoples were also barred from participating in the electoral life of their country, a ban which was not lifted unconditionally until 1960. Not until 1972, it appears, did an aboriginal sit on a Canadian jury. The names of such individuals had been hitherto omitted from the list of potential jurors.

The list goes on and on as to how history has been an unfair weapon against our aboriginal peoples. But if you look at the situation currently, Mr. Speaker, you will see that we have not changed.

I would like to review some of the major findings that people have made concerning certain conditions of Canadian aboriginal peoples. The 1989 annual report of the Canadian Human Rights Commission repeats again the findings that it brought to the attention of Canadians in 1988.

In 1988, the commission stated that the justice system is heavily weighted against Canadian native peoples. It also stated that an Indian youngster in Canada has a better chance of being sent to prison than of completing university.

The commission argued that ways must be found to remove bias and to dispel the views of some natives that the justice system is "white law".

When the commissioner wrote his report this year, he came to the same conclusion as he came to in 1988. This time he said:

> If there is any single issue on which Canada cannot hold its head high in the international community, any single area in which we can be accused of falling down on our obligations, it is in this area of aboriginal relations.

In his frustration in trying to get the Government of Canada to act this time he recommended the creation of a royal commission. That recommendation is still before the government.

• (1120)

This year, an interdepartmental committee finished its review of Indian policing policy. This report states that "Indian communities are entitled to effective and culturally sensitive law enforcement services" which should be of the same standard as those enjoyed by similarly situated non-native communities.

It also states that Indians can "legitimately expect to increase their control over their own future and be policed increasingly by Indians," regardless of the policing program which is serving them.

The statistics that the committee presents indicate that the average number of on-reserve crimes per thousand is approximately four times the national average.

Reserves which are served by regular police programs suffer from problems of slow response time, little to no preventive policing work, no enforcement of band by-laws and poor communications between the band, its membership and the regular police serving the reserve. So far the government has not taken any action on this task force report.

I would like to refer now to the final report of the Task Force on Aboriginal Peoples in Federal Corrections. This was a task force created in 1987, which reported in 1989, to find ways to improve the treatment of aboriginal peoples in the federal corrections system. It stated that the need for improvement was demonstrated by the fact that aboriginal people comprise 2.5 per cent of the Canadian population but a full 9 per cent of federal inmates.

Also, fewer aboriginal people are granted full parole, and when it comes it is later in their sentences, and they are more likely to have their parole revoked.

The task force made more than 60 recommendations touching every aspect of the corrections system as it relates to aboriginal offenders. These include recommendations such as having increased aboriginal correctional staff, working with aboriginal communities and organizations so that they be better informed and involved with the delivery of programs and that the institutional environment provide further support to aboriginal culture, spiritual values by, for example, improving the access of aboriginal elders to correctional institutions.

The task force emphasized that in judging the performance of aboriginal inmates it was important to understand the social and cultural realities of aboriginal life, otherwise discrimination in the treatment of aboriginal offenders would be certain to continue.

More recently, and I think perhaps more important because it brings home the message to all of us, was the 1990 report from the Task Force on Federally Sentenced Women. Eight emergency measure recommendations were made. A number made specific mention of aboriginal inmates.

One of the major concerns that we have in this country is the fact that not only is there a high rate of incarceration among aboriginals in general, it is even higher among women. Their problems are compounded by the fact that the prisons available to them take them away from their community life and take them away from their family support systems. Many end up in Prince Albert or, on occasion, they are brought east to Kingston. Most of these people originate in western Canada, far removed from Kingston.

Once cut off from these services the likelihood of being able to return to a productive life back home on a reserve or in urban centres that they come from is near impossible. The fact is that the government has failed to recognize that the issue of women in prisons is largely at this time an issue of aboriginal women in prison and that it needs to be addressed immediately.

It is not only the federal government which has been reporting on the problems facing aboriginal peoples in Canada in dealing with human rights issues, but also provincial governments. For example, as this debate takes place, there is a task force in Alberta reviewing the judicial system there.

There is also a judicial review in Manitoba which is coming to its conclusion. Hopefully, its report, which is coming out shortly, will add and contribute positively to the debate.

In Nova Scotia last year we heard from the Royal Commission on Donald Marshall. This report will be referred to in more detail by one of my colleagues who finds it particularly oppressive. She will bring the report to the attention of the House in more detail.

For now, it is important to point out that this Royal Commission concluded that Mr. Marshall's race was a factor in his wrongful conviction and 11-year incarceration for the murder of Sandy Seale. It found that the

judicial system failed Marshall at virtually every turn from his arrest and conviction in 1971 up to and beyond his acquittal by the Supreme Court of Nova Scotia.

It found that the individuals involved in the judicial system failed to perform their duties in a professional and/or competent manner, thereby allowing this tragedy to happen.

In 1988, the Canadian Bar Association turned its attention to aboriginal peoples and cited in its report, called *Locking up Natives in Canada*, a Saskatchewan study that shows that a treaty Indian male who turned 16 in 1976 had a 70 per cent chance of at least one stint in prison by the age of 25. For a non-native, this figure was 8 per cent—70 per cent versus 8 per cent. That is almost a factor of 10. Again, it draws to our attention the dramatic difference in the lifestyle and problems that aboriginal youth run into compared to non-aboriginal youth.

Some of the grim statistics the report reviewed show that infant mortality among Indian children was 60 per cent higher than the figure for the country as a whole. These are figures that you read about normally concerning Third World countries. If there is anything that hits at the heart of human rights and why the UN has turned its attention to human rights, it is the treatment of children. The fact that we have an infant mortality rate in Canada so much higher for this particular group again points out one of the many ways we are failing these people.

Indian children who survive their first year of life can expect to die ten years before their non-native contemporaries. The rate of violent death among Indians is more than three times the national average. The likelihood of Indian minors being placed in the custody of a child welfare agency is five times higher than that for non-native children.

The Bar Association concluded that what we need in Canada is a criminal justice system which does more than respond to dispossession and deprivation by locking up natives. This again shows the frustration not only of people in government, not only of people in the communities themselves, but very much of people such as lawyers and judges who are looking at these people on a daily basis wishing that another system could be set up.

The Bar Association came up with an idea which is gaining currency in Canada. It is one that I think the House should look at. I refer to an alternative native justice system. Members of the committee of the Bar Association believe that there is a sound constitutional basis for them. Although they refrain from endorsing a particular model, they feel that these systems could reflect the accumulated wisdom of both aboriginal law ways and the common law. I think it is time that the government begins to look at the alternative legal systems being tried in the United States and being suggested by different inquiries throughout Canada.

Perhaps one of the most moving ways of looking at the issue of native people and the law was offered by a reporter, Geoffrey York, of *The Globe and Mail* who has just published a book called *The Dispossessed*. In using his experience, mostly throughout western Canada, he went to different communities and talked to the leadership and people in different communities about native issues. He stated that for many native youths the reformatory is more attractive than life on the reserve, that incarceration provides a welcome escape from isolation, poverty and boredom.

He quotes one young aboriginal person who said of his peers:

> We have nothing to look forward to when we wake up in the morning. We get frustrated and scared. We don't give a damn what happens to anybody any more because nobody gives a damn about us. The only thing we know is to cause trouble and go to jail, where you have three meals a day and a place to sleep and a TV to look at.

I cannot think of a more incriminating commentary on the situation we have created, and everyone is responsible, than to think of people who see their life as one in which going to jail is the only alternative because they cannot work productively in their community.

However, many communities are trying to take the initiative to improve their lot, with or without the support of the government. In 1987, for example, crime rates fell significantly in four native communities in northern Manitoba after a sports and recreation program was instituted for the inhabitants.

It is hard to believe that when the government built some of the reserve infrastructure it did not bother to build sports and recreation facilities on these reserves. So the youth had no place to go. Even the schools often

have very limited facilities. During the long winter periods in remote communities people get more and more frustrated. A simple thing like a physical infrastructure would make it possible for them to live a more positive lifestyle.

• (1130)

Prince Albert is very well known for its prisons in western Canada. There are in fact three facilities, and each is filled with natives. The population of the federal penitentiary is 50 per cent native, the population of the provincial correctional centre is 75 per cent native and the population of the women's jail is 85 per cent native.

It is obviously easy to spend all day going through statistics and reports, but I think the point is well made that no matter who looks at the Canadian system, whether it is the United Nations which has sent an observer into western Canada, whether it is the South African ambassador who took the opportunity to embarrass Canadians by visiting a reserve in central Manitoba, whether it is a departmental committee, whether it is the Human Rights Commission, whether it is a provincial royal commission or whether it is a judicial study in Manitoba or Alberta, everyone comes to the same conclusion. The human rights of Canadian aboriginal people are being put at risk by one generation after another of Canadians who fail to come to grips with this problem, who fail to recognize that they must do something, and begin now.

This is an opportunity and an obligation on the part of the government. This is not something that people come to do easily in their communities. Anyone who thinks that out of local goodness people will begin to look at the problems of aboriginals, is walking away from his or her own responsibility as federal leaders. People need to see that the government itself is willing to stand up and protect people. They need to see that there will be programs which respond to people. People living in Norway House or in Shamattawa want to know the government is willing to come up and say: "Here is a facility for you. Here is a local police program. Here is an opportunity for you to join in crime prevention. Here is an opportunity for you to protect your own human rights."

People look to the federal government as the heart of liberal values in this country. One of the reasons why we have tried to develop a strong federal government in Canada, going back to the turn of the century, is that it has become the focus for human rights battles. This is where we develop law.

This is where we develop the interpretation of laws, through the federal government and through the federal court system. This is why we provide money through the Court Challenges Program. This is why we have provided for the education of the RCMP. This takes place at the federal level, and therefore I call upon the government today to think about its inactivity, to think about the fact that it is not taking these initiatives.

In the meantime, people are going to jail at the age of 16. Family violence is on the increase. People are having difficulty developing a positive lifestyle. In the the absence of action on the human rights questions, we once again have failed many people.

This motion has four components to it. Each one of them asks the government to consider different approaches: promoting equality; ensuring that our system of justice is more responsive and suitable; and pursuing alternative aboriginal justice initiatives. These three components, plus the fourth component which deals more specifically with the problem to be addressed by the next speaker, are very straight forward. There is nothing complicated about asking the government to act immediately.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I appreciate the opportunity to participate in this debate today.

Yesterday, I had an experience that was both saddening and uplifting as I visited the families, mainly the elderly, women and children, who have been forced from their traditional lands by a small group of violent people trying to impose their wishes by force of arms. We have all heard on the radio, seen on television and in the newspapers, the report about the critical situation at the St. Regis Akwesasne Reserve.

I know that members on all sides of this House realize that what is happening in this native community is extremely complex. The current difficulties have been brewing for some time. Informed people understand that there is no easy, quick solution to a problem involving five governments, the governments of Canada, Quebec, Ontario, the State of New York, the United States of

America and the Mohawk people on both sides of the border.

Not the least of the complications is the fact that the community of St. Regis, part of the reserve, is Canadian territory but is physically cut off from the rest of Canada by the St. Lawrence River and the St. Regis River and the United States border. This explains why the Sûreté du Québec evacuated many residents of St. Regis by boat last Friday. This unusual move was necessary because the normal route by road was controlled by members of the Mohawk Warrior Society, a group based on the American side.

I think it would be helpful to review briefly the events of the last few days to gain a better understanding of the current situation. On Wednesday my colleague, the Minister of Indian Affairs and Northern Development, and myself met with several native leaders, including George Erasmus the national Chief of the Assembly of First Nations, Mr. Harry Laforme who is the Indian Commissioner of Ontario, Grand Chief Mike Mitchell of the Akwesasne Community, Chief Harold Tarbell who is Head Chief of the St. Regis Tribal Council, and Tom Porter, Chief of the Traditional Council.

The same night and the following day we consulted with the Attorney General of Ontario and the office of the Minister of Public Safety in Quebec.

Early Friday morning, following several days of violent clashes, the band decided to evacuate the St. Regis Reserve and sought the help of the Quebec police force to move its people to safety. The Royal Canadian Mounted Police and the Ontario Provincial Police provided assistance, including boats, to the *Sûreté du Québec* who co-ordinated the operation to ensure the protection of the persons evacuated.

Approximately 600 persons registered at the Transport Canada Training Institute in Cornwall and the evacuees were accommodated there. For those who do not know the training centre, it is a school-room and hotel-like atmosphere where students who are being trained by Transport Canada normally stay.

Some of those evacuated wanted to return to protect their homes but Grand Chief Mike Mitchell has convinced most of the band members to remain in Cornwall for their own safety.

At a meeting on Saturday morning, the community discussed what they might do regarding a return to their homes. As we can all understand, they were most anxious about their homes, now empty and unprotected from possible attack. The group decided to stay in Cornwall and postpone their return to the reserve.

Chief Mike Mitchell, Chief Harold Tarbell and Chief Tom Porter thanked the city of Cornwall and the Canadian government for their assistance and called once again for American intervention. I would like to join them and express my sincere appreciation for the co-operation and assistance of those who participated in this commendable effort.

Mr. Speaker, I think Parliament can take satisfaction in the actions of the government in assisting those men, women and children that sought refuge in Cornwall. The Transport Canada Training Institute provided food and shelter for those who did not feel safe on the reserve.

In fact, when I was there yesterday they were showing me the food that had come in from the community, from the people in Cornwall—everything from disposable diapers, to food, to toys for the children. It really was rewarding to see how the city of Cornwall responded to this situation and helped these unfortunate people.

Officials from the Department of Indian Affairs and Northern Development are there now and have been throughout the evacuation period to provide whatever help and reassurance necessary to our native people.

When I travelled to Cornwall yesterday and met with the St. Regis Band members there, I must say I was deeply moved by the fear, which was mixed with courage and determination not to submit to the scare tactics that threaten their community and their way of life.

Our objective is to strive for a peaceful solution, acceptable to all sides. The Secretary of State for External Affairs has explained to the House that he has made representations to the Secretary of State of the United States. He has told his American counterpart that we have a situation that is near anarchy; that much of the source of the problem is on the American side; and that we urge response by American authorities, particularly those from the State of New York.

The government has shown its determination to play an effective role in bringing about a peaceful resolution. We expect the Americans, both at the state and national level, to act promptly to resolve the situation.

• (1140)

In its actions over the last few days, our government has demonstrated its commitment to protecting the interests of all Canadians and all aboriginal peoples. No one in this House accepts the idea that native people in this country can be forced from their homes by a violent and illegal action of a small group from another country, even if that country is our good neighbour, the United States of America.

Canada has a different history with respect to resolving conflict than those of our American cousins. We have a tradition and a Constitution which emphasizes negotiation, not confrontation.

The hon. members across the floor, and our own members, may grow impatient with our desire to find a solution which is both peaceful and lasting, but that is a non-violent approach which contributes to a high reputation in this world as a nation of peace-keepers.

Personally, I am proud of this history of treaty-making and peaceful negotiations which has characterized our approach in resolving our relationship with native people. This does not mean that there is not room for further improvement. The Marshall inquiry and other continuing inquiries have shown us that justice is a matter for every responsible person, and it is an institution which must strive continually to obtain goals of justice and freedom.

The most recent events in Akwesasne show that Canada should continue to strive for a land where all citizens have access to peace and freedom. We must have order and peace so we can reach that freedom, not reach it through violence. Most importantly, in full respect of their honour and dignity to deserve its high reputation as a leader among nations, as Canadians we must strive continually for justice for all.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to thank the minister for her measured speech this morning. I appreciate her comments. I know she was at Akwesasne yesterday, or near Akwesasne, I should say. I would not blame her for not going there right now. I would not either, even though part of the reserve is in my riding. I would not go there now out of fear for my own safety, and besides I would not want to cause tempers to flare any higher than they are at the present time. I am sure that is the case for the minister, as well.

We will be discussing this subject today and tomorrow, and hopefully finding a resolution to a very difficult problem. I want to make one or two suggestions.

I notice the Solicitor General is here and I welcome his presence. Whatever means we find must be utilized to disarm the community. This is what will have to be done. I do not think there is any question that efforts will have to be made on both sides of the border simultaneously. I do not want the minister to give me any great detail on how that is going to be done because, obviously, it will have to be done in certain confidence that all police forces approach this at the same time.

My concern is that the village of St. Regis is on Canadian soil but only accessible through the United States, as the minister has indicated. Perhaps for some members, that may be a little hard to figure out. One would almost need a map of the area, as a prop, to show members the configuration of the reserve, so that everyone would understand what we are talking about. Of course, we cannot do that in this House. I only say that to illustrate how complicated the border is.

I want to return to the remarks I was making and suggest to the minister that efforts be made on both the Canadian and the U.S. sides with the police forces in order to disarm the community. It is important that it be done simultaneously simply because, if we are talking about the community of St. Regis and the United States, there is no Customs officers there.

Perhaps the two ministers have not been to that part of the reserve. Our distinguished colleague from Beauharnois—Salaberry and I have been there on a number of occasions. There are no customs. It is actually the only place in Canada where you can legally cross between Canada and the United States without going through customs. There is actually such a place in Canada. It is Akwesasne. Strangely enough, if you go between Cornwall Island in Akwesasne and the U.S. side you have to pass through customs, but if you go from St. Regis to the U.S. side there is no such thing as a customs office. My fear, of course, would be that the guns and everything else would just move across the border if whatever is

done is not done simultaneously on both sides. That is the first concern.

I have discussed the second point privately with the Solicitor General. It is my hope that once everything is solved, we will find a way to build a road or a bridge—it will have to be a combination of a road and a bridge—between the village of St. Regis and the village of Snye. Both villages are on the Quebec side of the Akwesasne Reserve but one is separated from the other by a body of water, as the minister has indicated. By constructing this access—and I hope it is done on an urgent basis and hopefully this year in a combination between the Government of Canada and the Government of Quebec—it would ensure that the people of St. Regis are never landlocked again and are never put in a situation where they become hostages in their own village. That is unique to Akwesasne and it is something which is certainly undesirable. We are seeing now that our citizens can be landlocked in that manner and dependent on the level of law and order in another country for their safety.

I will have several other remarks to make later when I make my own speech but I would like to raise one of my concerns. I do not expect a response to the first one as it is probably better that there is no response other than an acknowledgement of the concern.

On the second one, I would hope that I could get a commitment from the government that there would be high level negotiations with Quebec in order to build such a road and bridge between those two Canadian communities so that they are no longer landlocked and potentially held hostage, as we have seen over the last few days.

Mrs. Martin: Mr. Speaker, I thank the hon. member for his comments on this issue. I know it is one that he has a great interest in because we have had personal conversations as this has been going on.

I thank you for the suggestion about the bridge because it is very unique and it is hard for people to understand. It would be as if we, sitting here in the House, to get to our office in Hull had to go out the back door and climb into a boat to go across the river in order to get there. That the reserve is in Ontario, Quebec and the United States is a very unique situation and there is not a continuous method of transportation between them.

As far as the disarming is concerned, I agree with the hon. member. This is not something that can take place unilaterally by any part of the reserve. It must be done in unison. If we are to attain a peaceful solution, the arms must be laid down. People cannot live in fear of their lives because of shots being fired, and even though they may be only fired in the air, it is still a method of intimidation and fear. It is very important that those arms be laid down.

I do not know of any place in the world where peace has been obtained and solutions have been found under gunfire. In all cases the guns have been laid aside and then negotiations and mediation have taken place. I feel that this is what has to happen at Akwesasne. As most of the guns and certainly the majority of the firing has come from the American side, it is very important that we have the co-operation of the United States and the State of New York in order to obtain this.

In fact, as we are debating this matter in the House, there is a meeting going on between the officials in the Department of Indian Affairs in Canada, the bureau of Indian Affairs in the United States, representatives from the State of New York and from External Affairs and from Washington. These officials are discussing opportunities for a peaceful solution to this particular situation. I am looking forward to the results of that meeting. We may not have an immediate solution based on the meeting this morning but it is a first step in the right direction, the bringing together of both sides to try and obtain a solution.

• (1150)

The problem belongs to Akwesasne. It is the people of Akwesasne who must face the issue of the gambling that is taking place. It is something they have to solve among themselves. However we, as the government of Canada, with the provincial governments of Ontario and Quebec, as well as the American government, must do what we can to help facilitate the groups to come together and to forge a peaceful solution to the problems they have there.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I was very interested in hearing what my hon. colleague, the Minister of State for Northern Development had to say about what the government is doing for Indians, the promotion of native justice particularly, and for natives in general.

How does this coincide with what we have been hearing, particularly what our caucus has been hearing, from native groups who tell us about the cutting of funds, through the Secretary of State's ministry. These cuts affect native groups as far as broadcasting facilities and native publications are concerned?

The information we received as a caucus when we met with native groups was that this was creating serious problems for native groups and their ability to communicate with each other. Their common culture and their communication through broadcasting and papers is so important to them that they feel this is something the government is doing which will severely handicap them.

Mrs. Martin: Mr. Speaker, the funding of native Canadians comes from many sources within this government, primarily through my department, the Department of Indian and Northern Affairs. In fact, the budget for my department was increased by some 8 per cent this year to ensure that the necessary funding to provide the services to the native people that are required, whether it be in education, in health, or in infrastructure within their reserves, has been increased because we realize that the need is there.

Native people have been making great strides in education. There is a long way to go but there has been much growth in the number of people going into post-secondary education and post-elementary education over the last four to five years and I hope to see that continue to grow.

While there were some cut-backs in the over-all budget of the Secretary of State, and some of those cuts were reflected back within the native people, there is also a committee put together to look for other ways of funding those communication areas for the native people. Money will come from other sources and be on a more ongoing basis to allow them to continue with their communications. But certainly the over-all budget as far as aboriginal and native people in Canada are concerned has been increased and will continue to be funded at levels where we can continue to work with the native people.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I would like to thank the member for Winnipeg North Centre for presenting this motion and raising this issue in the House today, and also for his comments on how native Indians relate to the justice system in Canada and some of the problems that he has outlined in his comments.

Also, I appreciate that the Minister of State would want to confine her remarks to the current problems at Akwesasne. I think all that we on this side, in this party, would like to say is that we appreciate that this matter is being treated sensitively and that we would not like to see the kind of violence that has taken place over the past few days increase. We appreciate the fact that there is an attempt being made to bring the parties together to negotiate a resolution to this issue rather than to follow the suggestions of some people that, for example, the National Guard be brought in to deal with the issue. I think that that kind of response would probably beget more violence and not bring about the kind of solution that we would like to see. I appreciate the Minister of State's approach, which is to bring the parties together to negotiate a resolution and then to see what can be done, respecting the views of all the parties involved, and also respecting the issue of Mohawk sovereignty over their lands which is an important issue.

I would like to discuss some of the broader issues relating to native justice in this country, not simply the Akwesasne issue or the issue of the justice inquiries that were brought up by the member for Winnipeg North Centre.

The problem of natives in conflict with the justice system, as offenders, is only the tip of the iceberg in this country. The evidence is overwhelming that natives are not well treated by the justice system in Canada. The member for Winnipeg North Centre mentioned the Donald Marshall inquiry and the statement in the Marshall inquiry that if it was not for his race, Donald Marshall would not have been considered the prime suspect in this case, and would not have gone to jail for years and years as a result of the ineffectiveness of the courts, the police and the whole justice system.

I am pleased to see that there are now inquiries taking place, in both Manitoba and Alberta, into instances that have emphasized how unjustly natives are treated in those provinces. It is a fact I think we are all aware of, that in Manitoba federal prisons, 39 per cent of the inmates are native, even though natives make up only about 2 per cent of the population. In Saskatchewan, 36 per cent of inmates are natives, although natives make up only about 2 per cent of the population. The provincial prisons in both of those provinces and across Canada show a disproportionate number of native inmates incar-

cerated in correctional institutions as a result of the problems that the justice system has in dealing with native people.

I think we should recognize the work of the Human Rights Commissioner over the last two years and the Canadian Bar Association and other authorities who have dealt with this issue and who have tried to work with the Canadian government to develop changes to the problems of native justice in this country. I think their work, hopefully, will lead to some resolution of this problem.

The government, at this point, seems to have taken the position that our justice system is fine but it needs a few refinements in order to accommodate native Indians in Canada. I do not think that that response or that reaction goes far enough. I think we have to look at the roots of this problem and that the solutions we come up with and that ultimately will be successful are going to be far more radical and more far-reaching than the solutions that seem to be acceptable to the government at this time.

Native injustice does not simply begin when native offenders come into conflict with the laws of the dominant society. The injustice has been present over the last 200 years. It begins with the status to which we assign native people in this country, through our laws, through the way we administer the Department of Indian Affairs, and, essentially, the role of native people in this country is the role of colonized people virtually anywhere in the world. They have been pushed to the margins of society, they are treated as colonized people and we, who supposedly represent the dominant society, are the colonizers. The problem with the relationship is that native society has been relegated to the margins and relegated to the status of lesser importance. The treatment, as far as I am concerned, of native people in this country is no different, except perhaps in terms of degree than the treatment of the Congolese during the colonial period in the Belgian Congo. The colonized people were marginalized, were seen as secondary people and in fact in many cases, non-people relative to the dominant colonizing society and I do not think that that is any different in Canada. When you start by looking at the references to native people in our fundamental constitutional documents, there is absolutely no way that our constitutional documents recognize the role that native people played in our country prior to the period of colonization when the European and other people came here.

• (1200)

Our constitutional documents do not give adequate mention to the role and the importance of native people in our society. I suppose, with the exceptions in the British North America Act that assigned jurisdiction of natives and lands reserved for natives to the federal government or some mention in the Constitution Act of 1982 that existing aboriginal rights and treaties will be respected, there is very little in the constitutional documents that recognize the importance of the role that native people have played and should be playing in our country today.

Today we seem to be locked in with the Meech Lake discussions in a discussion around who are the founding nations of this country, how they should be mentioned or displayed in our constitutional documents, and what rights and privileges should be assigned to them.

Yet it is strange that one of the fundamental characteristics of this country was that we as colonizers found people here when we arrived. These people had organized societies, they had their own governments, they had ways of managing the land, they had ways of allocating property, and they had the power in their governments to both make war and to make treaties of peace. In fact, every characteristic that is a fundamental characteristic of a nation was enjoyed by those nations of aboriginal people our forefathers and mothers found when they arrived on these shores hundreds of years ago. Those nations also had their economies and their trade relationships with other nations.

Any characteristic or right of a nation that would have the right to be a member of the United Nations today or the right to participate in national debates throughout the world were present in those nations that we found here in the beginning. Even the colonizers who came here took advantage of some of those characteristics by entering into treaties with those nations, as if they were sovereign people and recognizing that they were sovereign people in their own lands. They signed treaties of peace. They signed alliances in times of war when the European colonizers fought against each other. In fact, they were treated in the early history of our country as

sovereign nations, but something has happened in the meantime. We have forgotten those treaties. We have forgotten the sovereignty that has to be recognized prior to entering into a treaty with the people we found here and we have now forced those people to the margins. In fact, we have begun to treat them as non-people.

It might be worth while, when talking about the injustice that is meted out to native Indian people by our country, to look at some of the fundamental documents of legislation by which this injustice is institutionalized in the way this Parliament operates and in the way the federal government administration operates.

One is the issue of the assignment of status as native Indians. One of the primary tenets of culture is that a culture recruits its own members and has the right to recruit its own members. Native Indians should be deciding who are Indians and who are not, and I think that they would find it relatively easy to do that.

Instead, we have arrogated that right to ourselves here in Parliament. For example, we had decided that if a native woman marries outside her race, then she loses her Indian status. We made that decision right here in this Parliament. We decided right here in this Parliament that if a native decided to join the Canadian Forces and fight for this country during the war, that in the very process of doing that, he lost his status as an Indian. What other group in this country loses their cultural status by joining the Canadian Armed Forces, and yet we forced native Indians to go through that process of being enfranchised in order to fight for this country.

Some months ago in the House I brought up the incident of the Stoney Point base in southern Ontario, where we had examples of the Canadian army seizing a native reserve as a military base and promising to return it after the war. Some of the men on that military base signed up in the Canadian army, lost their Indian status, and when they came home after the war they found that they had lost the homes for which they fought because the Canadian army seized them. It is now used as a summer resort for officers on the Great Lakes who go there and enjoy what was once an Indian reserve. The homes Indian soldiers fought for have now been lost because the Canadian government refuses to honour an agreement that it made with the people of Stoney Point during the war.

You could lose your Indian status simply by joining the army. You could lose your status by voting, as is the right of every Canadian citizen or every citizen in a province. In many cases, by signing up to vote you lost your Indian status. Who else in this country has to lose their status and their culture by signing up and exercising their right as a Canadian citizen or the citizen of any province to vote in an election? Yet this is the kind of thing that we did and continue to do to native people.

The Indian Act and the Indian administration in this country was designed to liquidate Indians as a separate culture in Canada and to assimilate those people into the dominant society. It was futile. It was fruitless. It could not be done.

A second thing that we did to native Indians when we found out that parents have a great deal of influence on their children in matters of education and matters of culture is that we decided to set up Indian residential schools. We would take those children away from the influence of their parents and their cultural influence. We would take them away from their roots and from their homes and we would put them in with other children from all over the country who, in many cases, spoke different languages, and we would educate them all together so that they would become more white than their parents were. That is how the residential school system operated. We put them under the control of religious communities that saw Indian religions and cultural beliefs as satanically inspired. In many of those schools, the children were brutalized. The revelations that have come out of Mount Cashel and other institutions recently would pale in comparison to some of the things that happened in Indian residential schools over the last 100 years.

Mr. Speaker, I do not know if you saw the film on CBC *Where the Spirit Lives*. I thought it was an excellent film, and based on the stories that I have heard from my native constituents and from natives across the country, it treated very lightly the kind of brutality both against culture and against individuals that took place in those schools. If we ever want to do an investigation of the residential school system, it would produce some stories that no Canadian would be proud of.

One of the things that happened out of the residential school system and one of the things that is being debated in Manitoba today where the member comes from, is the process whereby child welfare agencies in the province were permitted to seize Indian children from their parents, take those Indian children out of their families and to adopt them into white families, or non-Indian families, or even to adopt them into the United States and to other countries around the world.

The member for Winnipeg North Centre will know the story of the native women who was recently brought back from Holland by the native organizations in Manitoba. She had been adopted into a European family in The Netherlands. They had sexually and physically abused her. They had allowed her to be a prostitute on the streets of Amsterdam. When she got cancer, they brought her back home. Her people found her and brought her back home to die. There are thousands of children in Manitoba and in all the other provinces who have experienced that same adoption and have been taken out of their homes.

There are many ways in which this country treats its Indian people unjustly. As I said, not simply when they come into contact with the justice system, but this injustice is institutionalized in the way we deal with native people.

Look at what is happening in resource conflicts around the country, Mr. Speaker. Whether it is in the Innu lands in Labrador, or any province or any region of any province, you will find the same kind of thing happening. Essentially, when governments of provinces and the federal government look at native lands or lands claimed by native people, they consider those lands as empty or as lands populated by non-persons. That allows the government to contract with foreign governments to allow the low-level flying in the Innu areas of Labrador. They consider and treat the Innu people as essentially non-persons, and Innu lands as empty lands for the purpose of resource development.

• (1210)

The same thing is happening in James Bay with the expansion of the James Bay hydroelectric projects. The lands of the James Bay Cree are considered empty lands, populated by non-persons. Therefore, it is possible to expand hydro reservoirs, pouring mercury into those reservoirs which destroys the fisheries that are enjoyed by the James Bay Cree, the Inuit and Naskapi people in that area. It destroys their lands and their livelihoods and does not take their concerns into consideration at all.

I want to express some appreciation to the Government of Ontario for the recent settlement with the Temagami Anishinaabee in northern Ontario where they allowed the Anishinaabee the right to have a veto over timber allocations in certain areas that are of extreme importance to those people, and also to allow them a veto over the right to determine whether or not those trees would be cut. This is the kind of agreement and the kind of consultation process we should be looking for.

Yet the Government of Quebec, in the Barriere Lake wilderness area has refused to allow the Barriere Lake Algonquins to play a similar role in how timber is going to be allocated in that area and how resources are going to be protected, resources those native people need for their sustenance and livelihood. As a result, the Barriere Lake Algonquin people have had to take the Government of Quebec to court. The James Bay Cree are taking the Government of Quebec to court and the Innu people of Labrador are taking the Government of Canada to court. Why should this process go to court? Why should Canada not recognize its native people as important, as belonging to the land and the land belonging to them.

We need to do three things in order to right our relationship with the native people of this country. One, we have to recognize the role they have played in the founding of this country. We have to enshrine their right to self-government in the fundamental constitutional documents of Canada. We cannot wait until everybody else has been recognized. We have to recognize those who were here first, first. That is an important thing that we would have to do in order to right the relationships that we have with native people.

Second, we have to continue the lands claims process. I appreciate what has been done by the government in the Yukon and Northwest Territories with the signing of the comprehensive agreements in that area. One of the economic benefits is that will repatriate capital back into the regions, capital that has been bled out of those regions in the last little while by actions of this government that is totally market-oriented, which seems to strengthen the communities of Toronto, Montreal and

Vancouver while bleeding resources and capital from the regions.

The tremendous advantage of land claims settlements is that it recapitalizes those regions in which the wealth of this country is located. It also puts that capital in the hands of people who have had a stake in that area for the last 13,000 years and are going to have a stake in that area, let us hope, for 13,000 years and more into the future. Recapitalizing those areas is a tremendous side advantage to the land claims issue.

Finally, the one that thing we have to do, as the member for Winnipeg North Centre suggested, is to strengthen our human rights legislation. The one problem with our human rights legislation now, whether you are talking about pay equity legislation or about the Canada Human Rights Act, is there is no teeth, there is no enforcement capability within that legislation. As a result, native people do not see the human rights legislation and the employment equity legislation as an opportunity to obtain justice in this country. In fact, in many cases they have to go to human rights authorities in the United Nations or overseas in order to obtain justice in this country.

Those are the three areas: constitutional recognition, land claims solutions, and stronger human rights legislation. If we get action on those, that will deal with the concerns brought up in this House today by the member for Winnipeg North Centre.

The Acting Speaker (Mr. Paproski): On questions or comments, the hon. parliamentary secretary to the Minister of Justice.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, there were so many things that I take exception to in the comments of the hon. gentleman that I do not know where to begin. One of the things that disappointed me most was he persistently referred to the present tense when he talked about some of the historic injustices that have been done to Canadian natives and aboriginal peoples.

For instance, his characterization of our native communities as non-persons is untrue. His statement that we have marginalized them is unfair. His comments comparing our treatment of Canada's native people to the colonial administration in the Belgian Congo is absolutely ridiculous.

The member spent much time talking about the historic injustices done to Canadian natives, which we agree with, but he spent almost no time whatsoever on all the historic changes that have taken place in recent years. He should have done that just to be fair. When talking about individuals losing the right to vote, he could have mentioned Mr. Diefenbaker's initiatives almost 30 years ago to quite properly enfranchise all native Canadians on reserves in Canada. He could have at least mentioned that.

He could have mentioned the changes that our Prime Minister and this House have undertaken to restore the native status to women who lost that through marriage. I did not hear that. I only heard one sentence toward the end of his 25-minute speech concerning the historic native land claim settlements that have been made. The whole world is looking on those. The member should be giving credit to the present Solicitor General and the new Minister of Indian Affairs and Northern Development and congratulating them by saying: "You have put to rest to a large extent in Canada's northern territories these historic injustices that have been done". But there was only one line on that and then he immediately got into the usual NDP propaganda and condemnation of the free enterprise system. He immediately got into NDP dogma. The hon. member should have spent time on that.

I take exception not only to that, but to his characterization of the brutalization of native children. I will check the "blues" to see exactly what he had to say about Mount Cashel and the difficulties at the Mount Cashel orphanage. That is absolutely ridiculous. A characterization like that does not take into consideration the thousands of very dedicated men and women who sincerely tried to help native Canadians through education, who were not inspired to condemning their beliefs as being satanic, and who were not there to try and inculcate white or European values into them.

As the member was speaking, I thought of my own grand-aunt who spent almost 30 years teaching on a reserve outside of Baddeck, Nova Scotia. She was a very dedicated, responsible individual who was trying to help native Canadians, as many of us are today, and as many people from generations past in Canadian history have tried to help. But his generalizations would lead us to

believe that what was taking place was just a complete brutalization of native children and I think that was quite unfair.

The Acting Speaker (Mr. Paproski): There was not much of a question. There was a comment, but I will let the hon. member rebut.

Mr. Skelly (Comox—Alberni): Mr. Speaker, I certainly noted a question there. I do not know if the member is denying the history of how this country has treated its native Indian people. On the issue of status, I would suggest that he look at the concerns that are being experienced today.

Up until a case was taken before the United Nations by Canadian native women about their loss of status, Canada essentially argued that they were not going to change the status issue until they changed the Indian Act. They argued that there was a process of consultation going on to change the Indian Act. That process has now collapsed. It collapsed a long time ago.

• (1220)

As a result, the House of Commons passed Bill C–31, over the objections of many native groups that wanted to see a more comprehensive change take place. As a result, some very serious problems have been created on many reserves across Canada. The Minister of State indicated that while the Indian Affairs budget has gone up by 8 per cent, the population of native people in this country is increasing at a far greater rate than virtually every other segment of the population. Therefore, the amount of money going to native Indians on a per capita basis is decreasing.

Sometimes the changes in status that are brought about in this House, without adequate consultation with the native people, have resulted in even more serious problems. What is going to happen on reserves when those people with their newly restored status ask for housing, for the right to education, or for the right to social services on reserves? Canada is not expanding the reserves as much as those reserves are requesting. We have created some serious problems as a result of our efforts to unilaterally reverse the position on status and assign it to what it was before. There has to be a much broader process of consultation.

I do not criticize everyone who has been involved in Indian education over the past years, nor the relatives of my questioner. In fact, many of those people contributed to the changes that took place and to doing away with the residential school system.

I have to point out to the member that when the people of Shuswap in British Columbia took a look at why their teenagers were committing suicide at such a high rate relative to the balance of the population, they took a look at what residential schools had done to the understanding of native families. By taking children away from their families, it destroyed the understanding of what the relationships were between father and son and father and daughter. It affected the understanding of the incest taboo and incest relationships.

It created family and social disintegration, and we are paying the price for that today. Even though the residential schools have been closed down, we are paying the price for those residential schools today and I think that it is worthwhile for us to take a look at exactly what price the native people are paying for that social experiment.

The Acting Speaker (Mr. Paproski): I cannot entertain any more questions or comments. The time is flying and more members want to speak on this subject. On debate, the hon. Parliamentary Secretary to the Minister of Justice.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, before I begin I would like to say that there are many government members who would like to participate in this debate. If it meets with your approval and the approval of the House, I would like to propose that, with the exception of the Minister of Indian Affairs and Northern Development who will be speaking this afternoon, that all government members would be prepared to share their time equally, each speaking for ten minutes with a five minute question period.

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Will you be 20 minutes or will you be 10 minutes?

Mr. Nicholson: I would begin that process and I would like to share my time with the member for Verdun—Saint Paul.

The Acting Speaker (Mr. Paproski): Agreed. The hon. Parliamentary Secretary to the Minister of Justice.

Mr. Nicholson: I would like to begin by repeating that the government is committed to the principle that all Canadians, without qualification, enjoy the protection of law and the right of fair treatment in all their dealings with the judicial system. Recognizing that these benefits are obtained and maintained only by virtue of the continuing efforts of all the individuals and institutions that comprise the Canadian system of justice and justice administration, the government has and will continue to work to see that that principle is upheld.

The Minister of Justice, under the authority of the Department of Justice Act, has the responsibility for "the superintendence of all matters connected with the administration of justice in Canada, not within the jurisdiction of the governments of the provinces". This mandate extends to criminal matters generally and, as the federal government has constitutional responsibility for "Indians and lands reserved for the Indians", the department, therefore, has a special interest in addressing the justice aspirations and needs of aboriginal peoples.

While many creative and innovative strategies have evolved over the course of time to address aboriginal justice problems, there remains a great deal to accomplish. The federal and provincial ministers responsible for justice have undertaken discussions with a view to better understanding the actions that will be required by each level of government in moving toward the resolution of the aboriginal justice concerns.

The Government of Canada is committed to developing a new relationship with aboriginal peoples. Since 1984, we have responded to aboriginal aspirations with a number of initiatives to increase self-reliance and autonomy. One of the most important, and one that I mentioned just recently, is the settlement of land claims and, of course, the subject of self-government.

The Prime Minister reaffirmed the government's commitment to resume discussions on aboriginal questions at a First Ministers Conference, as soon as there appears to be reasonable prospects for success. Indeed, he has expressed the view that Canada will not be complete until this outstanding historical question is resolved.

After the patriation of the Constitution in 1982, a series of First Ministers Conferences on aboriginal constitutional questions were held, in the words of the Prime Minister, "to make self-government a practical reality for Canada's aboriginal peoples". He envisioned, "a future in which aboriginal peoples assume even greater control over matters which directly affect them". He said as well that, "all Canadians have come to revere equality as fundamental to their birthright. The aboriginal peoples of Canada are entitled to no less". That commitment is ongoing and firm.

In the context of community negotiations with self-government on Indian reserves, negotiations that have been undertaken despite outstanding Constitutional discussions, the administration of justice has been identified as a matter that is open to discussion as one element of aboriginal self-government agreements.

While pursuing the means to meet the aspirations of aboriginal communities, it must, of course, be recognized that native men and women often face particular difficulties in their dealings with the justice system, whether the difficulties are described in terms of denial of justice, over-representation in our correctional facilities, discrimination, or in some other way. The reality of these problems has been drawn to the national attention in recent times, notably as a consequence of public inquiries. These concerns will continue to be brought to the national attention as the reports of the inquiries are released and the outcomes of the special consultations are made public.

There are now three judicial inquiries pertaining to aboriginal justice that have been undertaken in response to the treatment of individuals or more general conditions: The Alberta public enquiry into policing on the Blood Reserve; the recently completed Nova Scotia Royal Commission on the Donald Marshall prosecution; and the Manitoba Public Inquiry into the administration of justice and aboriginal peoples. There have been ongoing investigations supported in other provinces.

In responding to the concerns of aboriginal peoples and to the aspirations of aboriginal communities, the federal government has established a variety of programs. These programs have been developed in recognition of the special status of Indians and the particular

needs of aboriginal peoples. The Department of Justice has programs, for instance, that seek to enhance the accessibility of the justice system to aboriginal people and to facilitate greater participation in the legal profession.

In northern Canada and other areas, federal legal aid funding has supported special efforts undertaken to respond to particular legal aid needs of aboriginal people and to involve communities more directly in the management of those services. Specially designed programs of this kind are important in ensuring the generally available services respond to the particular needs of communities whose circumstances are different than those generally found in Canada.

While access to legal services is crucial to ensuring that the rights of individuals and groups are fully recognized, other kinds of activities are important. The Department of Justice, for example, supports two such programs, native court workers and public legal education.

• (1230)

More must be done. I could talk more about initiatives that the Department of Justice and this government are involved with. They are all aimed at ensuring that our aboriginal people receive the kind of equal and fair treatment within the criminal justice system that they and all other Canadians deserve.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I listened with interest as the parliamentary secretary reviewed the government's actions. I also listened earlier to his outburst at my colleague from the NDP. He said that perhaps we were too hard and did not put this into a historical context.

One of the concerns that we have on this side is that there is a lot of historic inertia in Canada. We turn to this government and ask what it is doing. I listened carefully when the parliamentary secretary read through his notes, and I did not hear what it was doing.

One of the problems in dealing with aboriginal issues is the reality that every day another incident happens and the government remains silent. Today, during the debate, I had a phone call from my constituency office about an aboriginal woman who was mistreated in the largest health facility in Manitoba. The stories repeat day after day.

Does the parliamentary secretary not think that the government has some obligation to recognize this problem, to deal with it honestly and to begin to take more of a promotional position rather than a defensive one in dealing with our aboriginal peoples?

Mr. Nicholson: Mr. Speaker, the Government of Canada is not taking a defensive position with respect to this. I wish I had had slightly more time. I might not have been as generous to the member for Verdun—Saint Paul had I known that I would not be able to elaborate on the different areas with which the Department of Justice and this government have been involved.

The member should be aware of the native court workers program. This is a program funded by the federal government in which we attempt to involve people who are familiar with the criminal justice system with people who have come into conflict with the law. We want them to feel comfortable. There are cultural differences. There are differences of interpretation. Sometimes the language of the court can be a problem. That particular program is one that I think is very helpful and positive.

As well, with regard to public legal information, there is no question that Canadian natives are over represented in our correctional facilities. One of the things that we are trying to do, as much as possible, not just within the territories but within the provinces across the country as a whole, is to get legal information into the hands of individuals so that they have a better understanding of the criminal justice system.

As well the hon. member should be aware of the legal aid program. It is a fundamental part of our concept of justice in this country that an individual be entitled to legal representation. No one involved in the criminal justice system in this country would be unaware of the fact that very often those who come into conflict with the law are often those who do not have the means to hire a lawyer. Therefore, we help fund legal aid programs in all provinces and in the territories as well. This is a positive and important component of ensuring that native Canadians, and other Canadians as well, receive fair treatment before the courts.

We as well, of course, are monitoring very carefully the judicial and public inquiries that I alluded to briefly. We are very concerned about those. When those inquiries identify areas in which the federal government can be helpful, of course we will look at those very carefully with a view to taking positive actions in this area.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Before I recognize the next speaker, the hon. Solicitor General on a point of order.

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I would like to inform the House that at approximately 7 a.m. today the RCMP in Cornwall was advised that Mr. Matthew Pyke was shot and was transported to the Malone, New York, hospital. I have also been informed that at approximately 10.57 a.m., Mr. Pyke succumbed to his injuries. Obviously we are very saddened by this and we regret this incident.

I am informed that the *Sureté du Québec* is investigating this unfortunate incident, and also that the New York police authorities are investigating this incident as we speak.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I will, by utilizing the means of a point of order as well, confirm to the House that I was informed of this approximately half an hour ago. As soon as I was told of the sad and tragic incident I immediately proceeded to inform the minister so that he could verify those facts prior to rising in the House to state that in fact Mr. Matthew Pyke, who I understand is a 20-year-old man, was killed. I believe that he died as a result of gunshot wounds received on the Mohawk community of Akwesasne.

This is a sad event which goes to show how urgent are the actions of our government, the government of the United States and all parties involved in finding a settlement to this most tragic issue unfolding right here, less than 50 miles from Parliament Hill.

I am going to take another moment or two and I beg your indulgence, Mr. Speaker. It does not seem possible that less than an hour's drive from here people are shooting at each other with machine guns, tossing hand grenades and so on. When we watch on television events such as that going on in lands far away, in Lebanon or elsewhere, we find it difficult to conceive. To think that it is happening right here on our doorstep is nothing short of mind-boggling.

I extend to the family of Mr. Pyke and his friends and relatives, and to the Mohawk community of Akwesasne, my condolences and those of my colleagues.

[*Translation*]

Mr. Gilbert Chartrand (Verdun—Saint-Paul): Mr. Speaker, I welcome this opportunity to speak to the subject before the House today. The hon. member for Winnipeg North Centre (Mr. Walker) has proposed a topic for debate which seems very appropriate in the present circumstances.

The relationship of aboriginal peoples with our justice system has been the focus of attention for a number of years. Recent studies have shown that all things being equal, aboriginal people are more likely to come into contact with the criminal justice system than the rest of the population.

Under our federal system, justice is an area of shared jurisdiction and its complexities are not always easy to grasp. In addition, the system is largely based on a culture and values that are foreign to the traditional aboriginal culture and values. It operates in an environment that is equally foreign, in languages that are not their own.

We have all at some time or other heard alarming statistics on the involvement of aboriginal people in the criminal justice system. I will not give any figures today. I merely wish to point out that the causes of the problem are complex and deep-seated, and that the justice system alone cannot be held responsible nor can it be expected to provide all the answers. However, some definite improvements are readed to make the system more receptive to the problems and aspirations of our aboriginal fellow citizens. Public inquiries in Nova Scotia, Manitoba and Alberta are examining the way the system treats aboriginal people. The government is taking the requisite steps to improve the way aboriginal people are treated by the system, and it intends to co-operate with them and do everything in its power to enable them to take their rightful place in Canadian society.

The government is aware that the legislation, the programs and the staff that implement them must reflect a better knowledge and understanding of aboriginal people, their customs and their way of life; that it is important that our Canadian laws be understood and observed by all Canadians; and that some of our laws are

simply obsolete. It has undertaken a thorough review of federal legislation, and in recent years, a number of bills have been passed in this House to correct this problem.

• (1240)

This process is far from over, and the task that awaits us, as members of this House, is an impressive one. However, legislation alone is not enough. It must be understood and effectively enforced. Our justice system, the way it treats individuals and access to justice itself must be fair, open and dynamic.

To achieve these objectives, the government has decided to examine the needs, concerns and demands of aboriginal people. There have been consultations in various areas. For instance, a recent study looked at aboriginal people in the correctional system. It found that problems caused by the number of aboriginal people in the prison environment are aggravated by the fact that these individuals do not form an homogeneous group and that their needs and characteristics vary, depending on the cultural groups to which they belong and according to their rural or urban origins.

The consultations that took place during the study reflected a lack of understanding on the part of the justice system of aboriginal peoples and their cultures. One of the study's recommendations was to expand the use of elders as consultants in federal penitentiaries. It was found that the role of elders had increased spectacularly during the past ten years and that many of the people consulted were convinced that their involvement could be even more important at a crucial stage in the correctional process. It was recognized that the elder's point of view could provide insights into certain cases and thus simplify decision-making by the National Parole Board. It was also found that recruitement of native workers by the system would help establish better commmunications, since increasing the number of native workers would improve the system's general understanding of and sensitivity to the needs of native inmates.

Another study, this time on policing in the reserves, was ordered to ensure that reserves would have access to appropriate police services, commensured are level and quality with those provided in other communities in the same region. However, the study found that one could not expect the same results in communities where the circumstances were different. Services had to be adapted to the local culture and local needs.

The task force, however, recognized the fact that the federal government was under pressure to expand all major programs for Indians. They must realize that the federal government is less able to do so, for financial reasons, although the budgets have increased considerably in constant dollars in recent years, and that various federal policies to give Indian communities some real control have been developed, especially the policy of negotiating self-government with Indian groups.

Consultations are now in progress on the conclusions and recommendations of this study. The Canadian government favours native self-government and their increased participation in police services. The study concludes that for this purpose, and to better meet the aspirations and special needs of bands, steps should be taken so that Indians can begin to participate more in the major decisions on policing the reserves.

These findings apply to all aspects of the justice system. It is important for us to be as aware as possible of the needs, concerns and requirements of native people and of the obstacles we face. We must listen carefully to our native fellow citizens and understand them. We must work to ensure their representation in all institutions of the justice system at all levels. We must create institutions that can meet their needs.

Some programs are already in place to meet some of the identified needs. Consultations are going on with the native people to improve existing programs and to develop and implement new ones.

I said earlier that drafting legislation is not all; the law must also be understood. The Native Courtworker Program is probably the best-known federal native justice initiative. The services of native courtworkers to help accused natives understand and obtain legal and social services are available to any native charged with violating a federal or provincial law or municipal bylaw, including any young person within the meaning of the Young Offenders Act who is accused or suspected of breaking a federal or provincial law or a municipal bylaw. Eight

provinces and territories participate with the federal government in this initiative.

Another program to make it easier to understand the system and the law and to promote access to justice is the funding, together with the provincial and territorial governments, of organizations that provide legal information services to Canadians. These agencies, located in every jurisdiction, can provide the target public with publications and documentation adapted to different communities in the language and at the level of understanding of the intended audience. Some programs offer evening courses for adults or open-line shows on the system and current legislation. For example, the Community Legal Education of Manitoba received financial assistance this year from the Canadian government for the "Feeling Yes, Feeling No" Project, which is intended to make native communities aware of sexual abuse of children and family violence. The purpose of this project is to help residents of rural areas, especially native people and their children, better understand the main points and the principles underlying amendments to the Criminal Code dealing with child sexual abuse.

What I have said so far only skims the surface. The government is determined to play a positive leading role in improving our justice system. In co-operation with the provincial and territorial governments, native leaders and communities and non-governmental organizations, the government has done a lot to identify our roles. The problems are manifold and complex, but there are also many signs that the will to deal with these issues exists more than ever before and that dialogue is open with all concerned. Everyone has shown a desire to take part in it.

The government is determined to continue dealing with these issues and to make major improvements in the field of justice for native people. This is a priority.

The Acting Speaker (Mr. Paproski): Questions and comments? Resuming debate. The hon. member for Glengarry—Prescott—Russell has the floor.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I must say that this is not the best time for me to be making a speech. I am sure the whole House would understand why, given the incident I was made aware of not that many moments ago.

Perhaps I should commence my remarks by wishing, praying, that there will be no more loss of life. I say this message not only to the members of this House but to anyone in and around Akwesasne who may be listening to this debate. I pray that cooler heads will prevail and that each and every one will understand that the violence has to come to an end. Needless to say, any further violence will not enhance that prospect.

Having said that, I would like to take a few moments to talk about the community of Akwesasne, to describe it a bit for some of our colleagues so that we can all understand what we are talking about. Perhaps that will assist us as well in understanding why we have some of the problems we have there now.

The Mohawk government paper on aboriginal rights and the Canadian Constitution, prepared for the Standing Committee on Aboriginal Affairs in October 1985, described the community of Akwesasne in the following way:

> It is an understatement to say that Akwesasne is "unique". —We are the only community in North America to straddle two countries, two provinces and one state. Within Akwesasne there are three forms of government consisting of the Tribal Council, the Mohawk Council of Akwesasne and the Traditional Council. Each are very distinctive and serve to form a very dynamic and non-apathetic government system. The leadership of Akwesasne are faced with problems no other similar entity would dream of because of the geographic and jurisdictional boundaries of our community. The government of particularly the Canadian portion of the reserve is complicated by the jurisdictional horrors of inter-provincial politics and federal responsibility. The argument is always whether a question should be deferred to the province of Quebec or Ontario or to the federal government in Canada. Bureaucratic red tape and an antiquated Indian Act serve to inhibit change in the relations between the leaders of Akwesasne and the government of Canada.

• (1250)

Mr. Speaker, that short passage expresses to us some of the difficulties, some of the jurisdictional problems, of the Mohawk community of Akwesasne. Picture yourself for a moment, Mr. Speaker, as a resident of the village of St. Regis. Perhaps your brother or sister lives on another part of the same reserve, call it another part of the same town to use language that you and I are familiar with, and we call that part of town Cornwall Island.

You both get up at nine o'clock in the morning and decide that you are going to go over to the U.S. side of the reserve. A resident of St. Regis just walks across. It takes approximately 30 seconds. As a matter of fact, you

may not even realize you are crossing the boundary between the two countries because some of those concrete monuments are missing and weeds and grass are growing around those that remain so you are not too sure where they are. There are no customs agents, immigration officials or anything like that.

Your brother or sister, whom I have fictitiously described, who lives in the other part of the same town, to use our language again, on Cornwall Island, crosses over to the U.S. side of the same reserve. Of course, he or she has to go through customs, is stopped there and perhaps searched, which is quite normal when you are dealing with boundaries. They can then go on their merry way to the American side of the reserve.

Think about it the following way, Mr. Speaker. If you are a resident of Cornwall Island and you want to visit your relative in the village of St. Regis, both of which are on the Canadian side, you have to go through U.S. customs to get to the United States because that is the only way of getting back into Canada on the other portion of the reserve.

One cannot help but scratch his head and ask why these laws are so crazy. I guess you just shrug your shoulders and say: "White man's rule, they do not really make much sense", and you continue doing what you are doing.

If it were that easy, Mr. Speaker, if you could just shrug your shoulders and go on your merry way, perhaps it would all be simple. But that is an example of the frustration people have with a set of rules which are applied totally arbitrarily because, of course, in two communities on the Canadian side on the same reserve they are not applied the same way.

Let us imagine ourselves in the shoes of a person like Grand Chief Mike Mitchell, who is an elected person, like you and I are, Mr. Speaker, doing his best to govern the Canadian side of the reserve. Grand Chief Mike Mitchell or his U.S. counterpart have no choice of whether they are the chief of one side or the other rather than the whole entity. The structure is that way. There is this artificial boundary right down the middle of the village. There is nothing they can do about it.

So there are two jurisdictions at the native level plus, of course, the historic traditions that fall in there as well. Of course, Mr. Mitchell is certainly not a perfect human being. Neither am I, Mr. Speaker, neither are most of us here, but he is there and elected, trying to govern as best he knows how the community of Akwesasne.

For the purpose of this discussion let us imagine there is an argument between an individual and the local police on the Canadian side. What do you do? You have to cross from St. Regis where the police force is to Cornwall Island where this problem is occurring. Of course, in order to do that you have to get the police cruiser on to the American side.

As you know, you cannot bring a gun into the United States legally. So you leave your gun in the police station since you cannot bring it in the car because your car has to go on the American side in order to come back to Canada to administer the police work.

Once you get back into Canada on Cornwall Island you are a policeman without a gun. That is fine if the other person does not have a gun either, I suppose, but what if he or she does? Then you are not equipped to handle the situation.

The same occurs, of course, if the residents of Snye on the Quebec portion of the reserve need services offered by the police force. The same potential situation occurs in the area of ambulances and all kinds of other services because of artificial boundaries placed there by our ancestors which fall right in the middle of that community.

The ancestors of the proud residents of Akwesasne have been living there for a very, very long time and it is a shame that we are unable to provide the mechanisms necessary to at least make Akwesasne a little bit easier to govern. Even if we are able to make the place a little bit easier to govern, that perhaps would not solve all the problems that we have there now.

In addition to the inter-jurisdictional difficulties that I have described, we also have to deal with those people who seize such opportunities as they see fit to establish places that they deem are appropriate to serve their own interests. I refer here to the establishment of casinos,

bingo halls and so on. I understand that there are approximately half a dozen of them.

It should be remembered by us all that at Akwesasne all of those facilities, at least all the ones that I know of, are located on the U.S. side of the reserve. In a strange coincidence the U.S. side of the reserve has no police force at the present time. It was disbanded some time ago. My colleague from Stormont—Dundas is sitting beside me here. He lives only a few miles from Akwesasne and he will know, of course, that the American side of the reserve has no such thing, as we speak today, as a police force. There is no one on the American side who administers any kind of policing, save and except perhaps the so-called warrior society which has decided on its own that this is what it should be doing. On the Canadian side, of course, there are the police forces that I was describing awhile ago.

So when you have that situation of one-half of the reserve with almost total anarchy, it is fertile ground for the lawlessness that I was talking about before. So it is not a coincidence that that is where the casinos, the gambling halls and bingo halls and all those other things are located. It is not a coincidence either that they have not established themselves on the Canadian side where there exists Grand Chief Mitchell, his council, and all the other things that are there.

Now we have roughly the following situation. The residents of Akwesasne see those casinos. They see, of course—and I have to say it—the undesirable elements that sometimes seem to surround those establishments, and they decide that they want no part of this. That is understandable. I live in a small village. It is not, of course, a native village, but I would not want those casinos in my own village, which has its own unique little character.

Perhaps, Mr. Speaker, I will draw your attention to the clock and continue immediately after Question Period.

The Acting Speaker (Mr. Paproski): The hon. member will have seven minutes plus 10 minutes for questions and comments.

It being one o'clock, I do now leave the chair until two o'clock this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

BILL C-21

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, it is my duty to rise in the House today and ask my colleagues in the other place to pass Bill C-21 without further delay.

We have a responsibility to improve our training and labour force adjustment programs, and that is what Bill C-21 is supposed to do.

The total cost of the amendments proposed by the Liberal senators is nearly $1.7 billion annually. We don't have that kind of money!

Mr. Speaker, how long will it take the Senate to release the funds that will enable all Canadians to have access to better training and better jobs?

* * *

[*English*]

PENSION REFORM

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, today, the board of directors of the federal Superannuates National Association is meeting in Ottawa to discuss pension reform. They are very concerned, so concerned in fact that today they are sending a telegram to the Prime Minister to ask him to finally bring legislation into the House to deal with this matter.

In 1986, the government introduced legislation to reform federal pensions, recognizing the need for pension reform. That legislation died when the 1988 election was called.

Since then, the President of the Treasury Board has declared on numerous occasions that he intends to introduce new superannuation reform legislation. To date, no such legislation has been introduced.

Federal superannuation funds are growing at a rate of approximately $5 billion per year. There is plenty of money for pension reform. There is plenty of need for pension reform. All that is lacking is the political will of

this federal government and a commitment to pensioners across the country.

* * *

HARBOURS

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, on Sunday evening in my riding part of the wharf at Stanley Bridge collapsed.

It collapsed because of a lack of funding from this government for wharf and harbour maintenance. Fortunately, no one was hurt.

It is the responsibility of this government to ensure that wharves and harbours do not reach life-threatening conditions.

I have toured the wharves and harbours in my riding, and I know that there are many places where poor wharf conditions demand the attention of this government. My colleagues and I have been asking for financial assistance since we were elected in 1988.

I urge the Minister of Fisheries and Oceans to come to my province, to visit the harbours and witness the terrible wharf conditions fishermen must face.

This government must plan ahead and make wharf repair a priority. The fishermen of Prince Edward Island deserve safe facilities. The situation in Stanley Bridge needs immediate action.

* * *

NATIONAL MOTORCYCLE AWARENESS MONTH

Mr. Ross Belsher (Fraser Valley East): Mr. Speaker, I wish to advise the House that the month of May has been designated as National Motorcycle Awareness Month by the Canada Safety Council.

The Hon. Doug Lewis, Minister of Transport, has endorsed this worthy, new safety endeavour which is aimed at reducing road accidents, injuries and deaths during the summer months.

The theme of the safety campaign "Roads are for Sharing" aims at fostering a strong, positive attitude among all road users to abide by the rules of the road.

Safety is a shared responsibility. Motorcyclists must drive responsibly and follow the rules of the road. Motorists need to be extra vigilant for motorcyclists and bicyclists who are sharing the road with them.

I particularly wish to acknowledge the Canada Safety Council's efforts in educating parents of young children about the importance of bicycle helmets. We must not forget that head injuries are by far the leading cause of traffic fatalities involving cyclists.

I invite all members of this House to support this latest road safety initiative.

* * *

THE ECONOMY

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, Canadians realize the hypocrisy of this government and the Governor of the Bank of Canada when they insist that Canadians restrain wage increases to control inflation, while at the same time they keep interest rates high and continue to raise taxes, and while employees of the Prime Minister's office and the Bank of Canada have received wage increases estimated by some at up to 20 per cent on an annual basis.

Nepean's Margaret Knight, a 35-hour weekly volunteer co-ordinator of a food shelter, serves breakfast and lunch daily to hundreds of women and children. Due to this government's cut-backs to the Canada Assistance Plan, the agency will face severe financial restrictions. The double standards of this government are becoming ever more frustrating.

In Ontario alone, CAP, which was instituted in 1966 to provide basic necessities to those in need, will see a revenue shortfall of approximately $90 million.

Are we really seeing the demise of a caring society as we have known it?

Canadians will not continue to be fooled by these drastic measures.

* * *

SKILLS CANADA

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, it is with great pleasure that I rise today to congratulate the winners of the first provincial competition of Skills Canada that took place April 21 in Hamilton.

Skills Canada is part of the Skills Initiative Program. Last year, Canadian students attended the competition in the United States as observers and guests. This year, 40 Ontario winners will compete with 7,000 other partici-

pants in the United States Skills Olympics to be held in Tulsa, Oklahoma in June.

It will be the first time Canada has been represented in this North American event.

The competitive categories cover a wide range of expertise. Here are a few examples: air-cooled gasoline engine repairs, architectural drafting, carpentry, woodworking, cosmetology, culinary arts, and the list goes on.

I congratulate them all on a job well done and wish them the best of luck in the upcoming event.

These are the varied sorts of skills training that stand to gain by the passage of Bill C-21. I would encourage all members to seriously consider what is at stake by obstructing the passage of Bill C-21.

* * *

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, yet another incident has called this government's low-level flying program into question. A British Tornado aircraft crashed yesterday near the Canadian Forces Base at Goose Bay. The aircraft was reportedly flying 10 to 20 miles outside the designated zone.

Why was the aircraft there?

This incident certainly casts even more doubt on the DND's claim that the Innu will not be over-flown if they simply tell the defence department where they will be.

What about safety? Tornado aircraft crash a lot in Britain, so you would think that our government would have assessed the risk of continuing to allow them to fly in Canadian airspace.

I again ask the government to stop low-level flights all together. This crash is another example of how these flights are not only a violation of Innu sovereignty and an impediment to peace, but they are also unnecessarily dangerous for people and the environment.

* * *

[*Translation*]

MEECH LAKE ACCORD

Mr. Gilles Bernier (Beauce): Mr. Speaker, languages should unite people, not divide them.

The Meech Lake Accord is more than a question of language and culture: it is the gathering together of all the people of a great and diverse country, and it means accepting others in a spirit of generosity and tolerance.

Meech Lake also means uniting the strengths of ten provinces.

Meech Lake means understanding and accepting that Quebec is the wellspring of French Canada.

No province will be diminished by accepting the facts as they are. Should Canadians turn their backs and say no to part of their daily reality?

Quebec has been distinct for a century, Mr. Speaker. Why should it no longer be distinct in 1990?

I am a francophone, the member for Beauce in Quebec, and I belong to that great Canada my parents used to describe as a generous and tolerant country.

I say to the leaders of Manitoba and Newfoundland that wisdom lies in accepting the fact that one's neighbours may be different. This fact does not prevent the economy of your province from expanding or your people from participating in this vast country of ours, where anglophones, francophones and allophones accept and respect each other.

* * *

[*English*]

CHILD CARE

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, during the 1984 election campaign the Prime Minister referred to the nation's child care crisis as an "urgent problem" and claimed "urgency here is of paramount concern".

That was over six years ago.

Just recently we heard the Minister of National Health and Welfare promise once again that by 1993 Canada will have a national child care strategy in place.

Canadians are tired of this old promise. By 1993—nine years after the 1984 election campaign promise—does the Minister of National Health and Welfare not realize that some of the kids who needed child care back in 1984 could possibly be driving their parents to the polls?

As usual, the minister's announcement lacks details on finances, quality, availability, accessibility and affordable child care for Canadian families.

There is a quote that describes what it is like for Canadians to have to deal with this kind of government.

> We the willing—led by the unknowing—are doing the impossible for the ungrateful. We have done so much for so long—with so little—we are now qualified to do anything with nothing.

* * *

• (1410)

LABOUR FORCE DEVELOPMENT STRATEGY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, roughly one month ago the task force reports of the Canadian Labour Market and Productivity Centre on the government's Labour Force Development Strategy was released.

In its entirety, the study asserts that Canada requires a new attitude and approach to labour force training so that our workforce can better meet the evolving demands posed by structural demographic and technological change.

Of particular interest and importance is the task force reports on human resource planning. Both the labour and business report press the need and requirement for basic skills training in literacy and numeracy.

These skills should be promoted on a universal basis since they form the foundation upon which higher development skills and retraining can be based.

I trust that our government will heed this advice and devote additional resources to basic skills training. The funds envisaged in Bill C-21, the changes to the Unemployment Insurance Act, could be instrumental in this regard. I urge our friends in the Senate to play a more constructive role in our pursuit of an effective national training effort.

* * *

[*Translation*]

TAX BENEFITS FOR NORTHERN AND ISOLATED AREAS

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, the present system of tax benefits for northern and isolated areas is unfair. Some communities qualify, while others right next door do not. There is not a single community in the riding of Restigouche—Chaleur that qualifies for these benefits. Northern Canadians and residents of isolated areas rejected the recommendations of the Task Force on Tax Benefits.

[*English*]

The people of my riding are entitled to this tax benefit since they have to incur the extra costs of living in an isolated area, which include travelling long distances to obtain specialized health care, post-secondary education and many other goods and services.

[*Translation*]

The federal government must introduce a new system that will give remote communities like those in Northern New Brunswick the same tax benefits that are available to residents of similar communities.

* * *

[*English*]

LABOUR

Mr. Peter L. McCreath (South Shore): Mr. Speaker, May 1 is a day often associated with the labour movement throughout the world.

Organized workers in Canada enjoy a standard of living excelled by few of their counterparts in other countries of the world. Collective bargaining rights in Canada are among the strongest in the world, and so they should be.

Canada is a strong, democratic country currently enjoying the dynamic leadership of a Prime Minister and government with the courage and the integrity to lead, and the ability to prepare this country for the 21st century.

The labour movement has an important role to play in preparing Canada for its place in the competitive world of the next century. I encourage all labour leaders to work with our government in its effort to ensure a prosperous future for all Canadians.

INTEREST RATES

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, interest rates are continuing to rise—21 times since this government was elected.

Not since the dying days of the previous Liberal government have interest rates been so high and so harmful to Canadians.

It is time this government recognized the harm that high interest rates are doing to farmers. Commodity prices remain too low to meet the cost of production. Farm debt has escalated beyond the $22 billion mark. In Saskatchewan, 1,000 farm families each year are leaving the land.

High interest rates are contributing to increased farm bankruptcies, foreclosures and forced sales. It is time for this to stop.

Governments can control and manage the levels and effects of interest rates. Canadian farm families should expect no less from their federal government.

I call on the government today to take the necessary steps to reduce interest rates so that Canadian farmers can begin to get control of their farm finances.

* * *

MENTAL HEALTH WEEK

Mr. John E. Cole (York—Simcoe): Mr. Speaker, I take this opportunity to remind members of the House and the general public that this is Mental Health Week.

For the past 30 years the Canadian Mental Health Association has co-ordinated events to raise national public awareness aimed at reducing the stigma of mental illness and at encouraging community acceptance of those in need of mental health services.

The Department of National Health and Welfare is pleased to collaborate with the CMHA in this worthwhile event to draw attention to the importance of mental health issues.

This year's slogan for Mental Health Week is "Working Together for Mental Health". All Canadians are invited to give their full support to the Mental Health Week events that the local branches of the CMHA have planned in their communities.

PEACEKEEPING

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, Canada is involved in five peacekeeping operations around the world, including increasing its commitment to the UN forces in Central America and may become an important participant in a possible UN operation in Cambodia.

The demands for UN peacekeeping and Canada's participation will likely increase further given the upsurge in ethnic tensions in the developed and developing world, increasing disputes over ocean sovereignty and mounting trans-border environmental dangers.

The federal government has through budget cut-backs eliminated the acquisition of new communications equipment and new light observation helicopters, both important aspects of Canadian peacekeeping.

For example, Canadian peacekeepers face situations wherein they can barely supply cold weather gear for themselves, let alone to other participants involved in cold weather peacekeeping operations.

It is not enough that the government engage in internal reviews to reassess the new demands upon Canadian defence and foreign policy. We must allow the public to have input in these reassessments and be willing to provide the necessary financial support to ensure that its present and future commitments do not ring hollow.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance.

Yesterday, in response to my questions about the contraction of the Canadian economy in January and February, the minister said by way of reply:

> —I acknowledged in my last budget that we expected to have a slowdown in the economy this year. We expected that in the first half of this year. So there are no surprises here.

In his budget the minister also predicted that interest rates would average only 11.1 per cent this year.

I ask the minister this. How is he going to achieve this 11.1 per cent interest rate target when interest rates in Canada have already gone above the 13.8 per cent level? Is it not time for him to admit that his interest rate projections in his budget are now totally obsolete?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think if the Leader of the Opposition would notice the calendar he would see that we are one month into the fiscal year. We have 11 months to go before we have to review what the total impact of interest rates are.

Certainly, interest rates are high, and we are reviewing this on a regular basis. But let us not jump to conclusions too quickly before we see how things develop further.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, everybody else in this country has already reached the conclusion that interest rates should start coming down. For example, yesterday, Adam Zimmerman, President of Noranda Forests, speaking on behalf of the Business Council on National Issues, usually a strong supporter of this government's economic policy, said: "The BCNI's thinking is that high interest rates have gone too far, and it's time to bring them down."

The voice of the Business Council on National Issues has been added to the voices of major business organizations like the Canadian Manufacturers' Association and the Canadian Real Estate Association.

Why will the minister not listen to these major business organizations and agree that interest rates have already gone too far, that it is time to bring them down, and therefore start bringing them down today?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I listened carefully to what Mr. Zimmerman and other leading commentators in the business community have to say about these matters. Their views are important, obviously. They employ a lot of people.

I think what Mr. Zimmerman is pointing out is that there is a difference between the experiences that they are having in the goods sector—the manufacturing and resource sectors of the economy, which are very clearly feeling the effects of the monetary policy that we have been following—as compared to the service sector, or other levels of government, which are not responding in the normal ways to the interest rate policy that we have been following and are keeping their prices and wage settlements up to reasonably high levels.

It is that distinction, that difference between the goods sector on the one hand and the service sector on the other hand, which makes it particularly difficult to deal with at this point in time.

• (1420)

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, there is only one interest rate in this country. The minister forgets we don't have a range of interest rates. We have only one, and Mr. Zimmerman and his colleagues have asked for an immediate reduction in this interest rate. Mr. Speaker, yesterday, Doug Peters, chief economist for the Toronto-Dominion Bank, commented on the policy of the Minister of Finance, saying that:

> The economy was idling, that after the brakes had been applied for two consecutive months, the machine had finally stopped.

I want to ask the minister why the government maintains a policy whose purpose is to stop the economic machinery completely. Why does the Minister of Finance want to drive the Canadian economy into a deep recession?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me correct a couple of things that the Leader of the Opposition said.

First, this policy is not designed, to use his words, to stop the economic machinery completely.

Second, it is not designed, again to use his words, to drive the economy into a deep recession.

What I have said on many occasions in the past is that we are trying to avoid that recession by slowing down the level of activity in the economy so that we can reduce and eliminate the inflationary pressures that are there. We are seeing some signs of inflationary pressures easing, using some measurements, but in using other

measurements they are not easing. That is the problem that I referred to in my second answer to him.

If we are able to take these inflationary pressures out of the economy, then we can look forward with confidence to many more years of non-inflationary sustainable growth. That is the objective of this government.

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is for the Minister of Finance who just referred to the fact that it is early in the year and that the Leader of the Opposition in referring to the high interest rates should wait for awhile.

Why does the minister believe that Canadians should have confidence in his projections as they relate to the interest rate that he predicted would be at 11.1 per cent when last year in his budget he predicted that by the end of the year the average interest rate would be at 10 per cent? Why would he be right this year when he was so wrong last year?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me draw to my friend's attention the fact that the one-year deficit projection of this government in the five years that we have projected the deficit has been out an aggregate of something in the order of $2.5 billion. The previous five years under Liberal projection it was $26.5 billion. That is a factor of 10 to 1.

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): Surely, that should give Canadians a much better degree of confidence in our ability to project than was the case in previous years.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, my question for the Minister of Finance is quite simple. What we want to know is based on the projections in his Budget. Does he still maintain that his projections on the deficit, which was supposed to be $28 billion, will be borne out, and will the average interest rate for the current year still be 11.1 per cent? Does he maintain his position, as stated in the Budget, with respect to interest rates and the Canadian deficit?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what I was pointing out in my first response to my hon. friend is that we on this side of the House do manage to keep to our projections. We have worked hard to manage through our projections in each year.

Some hon. members: Hear, hear!

Mr. Fontana: How about your promises?

Mr. Wilson (Etobicoke Centre): I hear some catcalls from the other side. I do not think that those catcallers heard that the total deviation from our budget deficit projections is $2.5 billion—one-tenth the deviation under the Liberals in the previous five years.

I pointed out that we are one month into the fiscal year. There are things that will put upward pressure on the deficit, and that is what higher interest rates will do. But, also, the higher level of inflation increases revenues. So it is not all one way.

* * *

INDIAN AFFAIRS

Mr. John Brewin (Victoria): Mr. Speaker, my question is to the Solicitor General.

As he will know, a 22-year old Mohawk resident of the Akwesasne reserve was fatally shot today, following what was described as a nine-hour gun battle. This is a situation which has been developing for many months, even many years.

I am informed that a week ago, the three councils from the reserve came to the federal government—in fact, they met with the Minister of Indian Affairs and Northern Development—and specifically asked for the RCMP to intervene, to bring law and order to the reserve.

My question to the Solicitor General is this. Will the RCMP now intervene? What steps will the government take to deal with this tragic situation?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, ministers of the government and all members of this House are indeed saddened to learn of the tragic escalation of violence which occurred overnight at the Akwesasne Mohawk Reserve.

We extend our sympathies and those of all Canadians to the families and friends of the young Mohawk man who has lost his life as a result of the senseless violence that continues at Akwesasne.

Earlier this morning we were informed by the Royal Canadian Mounted Police, who learned from the *Sûreté du Québec*, that 22-year old Matthew Pyke died at 10.57 a.m. in hospital in New York State of gunshot wounds. Mr. Pyke, a resident of Hogansburg, New York, was shot at Snye, Quebec.

My colleagues and I are dismayed that the situation has deteriorated to this point. One death is one death too many. We have and will continue to strive to find a peaceful solution to this very serious and difficult problem.

As the hon. member and other members know, we were visited by the elected leadership, the traditional leadership, of the Mohawk communities last Wednesday, not a month ago as the member indicates, and have sought working with officials of various federal departments, officials of the two provincial governments of Ontario and Quebec, the State of New York and the United States government, to find a peaceful solution to this problem. Those efforts are continuing at an escalated pace today.

Mr. John Brewin (Victoria): Mr. Speaker, in no way do I mean to diminish my respect for the government's concern for the death in this case. I must say that it is simply not enough to hear that the government is continuing discussions.

I ask the Solicitor General who is responsible for the RCMP if will he accede to the request that was made a week ago, as the minister has just confirmed in the House, that the RCMP move on to the reserve and establish law and order so that Canadian citizens on the reserve can be protected?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): As the hon. member would know, policing in Canada is firstly a matter of provincial jurisdiction.

Contacts were made with the Attorney General for Ontario and Solicitors General last week. They have taken actions to effect the patrols and disarmament, where possible, of those carrying arms on the Canadian side.

The member knows that the problem arises from a pro-gambling faction based in New York state.

Any activity to intervene from outside the Mohawk nation requires the full consent and co-operation of several law enforcement agencies, the state and the provincial governments, as well as the two national governments.

That kind of co-ordinated approach is being discussed at the highest level, with a view to seeking a peaceful solution to this very, very serious situation.

Mr. John Brewin (Victoria): It should be evident that the time for a peaceful solution has tragically passed.

First, the Minister of Indian Affairs has not indicated whether he ever spoke to the Solicitor General about this. My question again is to the Solicitor General.

Did he receive the request from the native groups involved?

Very particularly, did the Solicitor General, on behalf of the RCMP, seek the authority from the Ontario Provincial Police, the Quebec Police and the Americans to come on to that reserve?

He had the authority of the native people involved and of the leadership on that reserve. Did he seek the authority a week ago, before this tragedy happened?

• (1430)

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as has been indicated by my colleague, we have here a situation that involves various jurisdictions, beginning with American and Canadian, and provincial jurisdictions with respect to where the reserve is situated on the Canadian side.

With that comes policing jurisdiction and I can assure the House and my hon. colleague in particular that we have been co-ordinating policing efforts since the situation started and particularly since we were asked last week to intervene. There have been discussions between the Attorneys General and the Solicitors General from the provinces of Ontario and Quebec and between my colleague, the Minister of Indian Affairs, and myself.

It is a co-ordinated effort, and as was indicated this morning by my colleague from Glengarry—Prescott—Russell, it has to be a co-ordinated effort involving also New York state before any physical intervention can occur. We have been co-ordinating this. We will continue to do so. We will act according to the circumstances.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, perhaps I could preamble my question by expressing on behalf of my colleagues and I, our sympathy and regret to the family of Mr. Matthew Pyke who so tragically passed away in this most unfortunate event, which hopefully will end very soon, namely the violence at Akwesasne.

My question is for the Solicitor General. I agree with him that the approaches that have to be taken in order to have a physical intervention at Akwesasne have to be taken together on both sides of the international border. Otherwise, let's face it, nothing at all is going to happen because the arms will simply move from one side of the border to the other.

Can he report to us now what progress has been achieved this morning in the meeting he and presumably others in his department have had with the Americans in regard to restoring law and order at Akwesasne, more particularly to disarm the community of Akwesasne?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, as the hon. member has indicated there has been a continuing co-ordination of police forces in this matter. Yesterday morning five police forces, including the state, two provincial, and the national police forces, met and agreed that a co-ordinated effort is required to deal effectively with the violence in the Akwesasne community.

As well, the Secretary of State for External Affairs wrote to Mr. James Baker last Friday and there has been high level interventions at the state department. I understand that Canada's ambassador in Washington is again approaching the State Department with a strong message of concern this afternoon.

It is our desire to see the state of New York co-operate and assist in dealing with the elements on the New York state side which appear to be provoking this incident. To this point we are not satisfied that the state of New York is responding adequately.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to direct a supplementary question to the same minister. It was only yesterday that Governor Mario Cuomo of New York finally admitted that there was a problem which necessitated an outside intervention. We all know that before that he was claiming that this was an internal matter to be settled by Mohawks. I am sure the minister will agree that that kind of action was totally inappropriate up to that point.

Can he tell us if he still believes that Governor Mario Cuomo takes the position that it is all right to have those gambling casinos on the U.S. side? I believe, and I believe the people of Akwesasne believe, that the first element to a solution is to close down those casinos, leave them closed, disarm the community and then worry about those other things afterwards.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am sure the hon. member would agree that this is not the place to engage in a debate with Governor Cuomo, but it is in fact the case that in order to effect a peaceful solution of this serious and tragic occurrence the democratically elected leadership of the Mohawk nation in all of its parts, which represents the majority of the Mohawk people, must be respected. A way must be found through some form of diplomatic or mediated process to have the majority wishes of the Mohawk people respected.

* * *

CANADA CUSTOMS

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, my question is directed to the Minister of National Revenue. The staff of the Canada Customs office presently located in Cornwall are scheduled to be moved to Cornwall Island on the Akwesasne reserve on May 11.

Given the tragic event of earlier today would the minister accept my suggestion to postpone this move indefinitely?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, when conflict on the island began to escalate some time ago I immediately gave instructions to my officials to postpone any movement of additional staff to Cornwall Island.

May I point out as well, as I told his colleague from Glengarry—Prescott—Russell last Friday, that we also entered into an agreement some months ago with the Royal Canadian Mounted Police and the Ontario Provincial Police to protect customs facilities and officers and the travelling public on Cornwall Island.

We have further improved the facility from a standpoint of additional security, including the expansion and improvement of the building. I can assure the hon. member that as far as the customs officers and the travelling public is concerned, every step has been taken to protect them from any potential danger.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, my supplementary is to the same minister. I wonder if he would commit today, to the House, a full review of the appropriateness moving any officials to the new location on Cornwall Island?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I have just confirmed to this House that I have put a stop to any potential move of additional personnel to Cornwall Island until the situation on the island stabilizes.

The request at the beginning, prior to any concerns affecting anyone on the island, was to try to utilize expanded facilities and provide a greater service for the travelling public. While these conflicts continue to take place or even potentially exist on Cornwall Island, no movement of additional personnel is going to take place.

* * *

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a question for the Prime Minister. The Canadian economy at this stage is already suffering serious problems. Yet yesterday, our ambassador to the United States made a public speech to U.S. businessmen and others, talking about threats to our unity and internal division here in Canada. This sort of alarmist talk in Washington hurts us economically.

Could he tell the House if this speech by Mr. Burney was fully discussed with the government and if not, why it was not discussed.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the speech by Ambassador Burney, what appeared to include a question and answer session, appeared to deal with some questions that had been raised in Washington a few days ago by Mr. Jacques Parizeau, the leader of the Parti Quebecois, who visited Washington and who proceeded to deliver himself of some views about how casual and how harmless the breakup of Canada might be.

Ambassador Burney proceeded yesterday to disabuse Americans and I hope, a few Canadians, of those notions and indicated that indeed if there were serious consequences in Canada they would manifest themselves in most unattractive and unhelpful ways. Ambassador Burney made a very strong and I thought persuasive statement in favour of the strength and the unity of this nation and that is what he is in Washington to do.

• (1440)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a supplementary question.

I have here not elements from a question and answer session, but notes for an address from Mr. Burney sent from the Embassy in the United States. We are not talking about something casual and off the top of his head.

I want to ask the Prime Minister if we are, as a country, simply some sort of banana republic that is supposed to talk about our constitutional issues in Washington.

[*Translation*]

Does the Prime Minister think it makes good sense to wash our dirty linen in Washington? Does that make sense, according to the Prime Minister?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I had no idea Ambassador Burney's speech would offend the sensibilities of the hon. member. President Bush was here a few weeks ago, and when asked what he thought of the debate on the Meech Lake Accord, he said he did not want to intervene in a domestic debate. However, if you want to know my opinion and that of my government, we are in favour of a united and prosperous Canada. That has been the strength of this nation for 125 years. I hope the hon. member has no objection to that.

I did not see the text of the Canadian ambassador's speech before he made it, but I trust him. He is old enough to know how to behave, and he is doing a very effective job in Washington. If, either in answer to a question or directly, he touched on any matter concerning the strength and unity of this nation, he was right to do so. Does the hon. member believe that when faced with this kind of situation, our ambassador should be less than forthright and tell the Americans that nothing is happening in Canada and, in any case, it is none of their business? Citizens of a the country with whom we trade goods for a total of $200 billion annually, as neighbours and allies have every right to put questions to our

ambassador. We send an ambassador to Washington to answer all legitimate questions, not to become evasive when the going gets rough.

* * *

[*English*]

UNEMPLOYMENT

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the acting minister for employment.

Yesterday, the Valmet-Dominion Company announced the lay-off of 200 industrial workers at its plant in Montreal, and on the weekend, Pascals Hardware announced the lay-off another 180 workers in that city. This makes a total of over 9,000 lay-offs announced in Montreal during the past year, including VIA Rail, Vickers, Simpsons, General Electric, Gillette, Marconi, Cattelli and many others.

When is the government going to take the situation seriously and put forward a comprehensive program to re-establish the economy and employment in Montreal? When are we going to get some action and less words?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, we are aware that workers in Montreal and elsewhere in Canada are going through difficult times. That is why, as a responsible government, last April we tabled a labour force strategy with a policy for unemployment insurance reform, as a tool for this government to develop new policies and enhance our ability to compete in a globalized market. We say that this reform will help workers make up losses they would otherwise have incurred.

[*English*]

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, we have had nothing but band-aid solutions by the government.

In a report published last month, in April, by the *regroupement des départements de santé communautaire du Montréal*, it was stated that one out of four Montrealers now live in poverty. In 23 neighbourhoods of Montreal, the unemployment rate is over 15 per cent.

The fact that some of these people are working does not address the problem, because there are too many low paying, part time jobs and a lot of working poor. When is the government going to do something about this serious situation?

[*Translation*]

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I think that the hon. member for Notre-Dame-de-Grâce is not telling the whole truth. He is telling his version.

The federal government has done a lot in the Montreal area. For example, he should consider the investments, particularly in the eastern part of Montreal, which he no longer talks about since the government has taken some worthwhile initiatives.

Mr. Speaker, everyone knows that the federal government has done its job. General Motors confirmed just last week that it was awarding the F series of cars, the Firebirds, to Montreal.

I personally went to Camco in eastern Montreal yesterday, Mr. Speaker, to confirm the maintaining of 700 jobs with the workers, who were extremely satisfied. Again, I think that when you talk about Montreal, you can give your version of the facts, but someone must tell the truth about Montreal.

* * *

LOBSTER INDUSTRY

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is for the Minister of Fisheries.

The lobster crisis is worsening. Quebec fishermen are refusing to go out and fishermen from the Acadian peninsula will stay in port tomorrow. At $1.25 a pound, lobster does not pay enough to cover expenses.

The minister said in Caraquet last Sunday that he would consult with the interested parties. However, the government had been warned last September by all those concerned in the lobster industry.

So my question is quite simply this: Why did the minister drag his feet so much that he is still only at the consulting stage? How come he has no solution to offer these fishermen?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, it is easy for a Liberal member to get up and blame everyone for the prevailing conditions in the lobster market. Two months ago, I spoke with the fisheries ministers of Prince Edward Island and New Brunswick, for example, and at the time, I believe there was $17 million worth of lobster from last year in stock.

Inventories, I believe, still amount to about 20 per cent of 1989 production today. This is due to market conditions.

Now, I met the lobster fishermen on Sunday and I received a proposal from them that I intend to discuss with my provincial colleagues whom I am to meet next week.

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my supplementary is for the same minister. Lobster fishermen and the whole industry are in this predicament precisely because the government has failed to protect them.

As a matter of fact, I understand that the Minister of Fisheries and the Prime Minister will meet with workers and fishermen tomorrow at Inkerman in the Acadian peninsula.

Will the minister and the Prime Minister take this opportunity to unveil a support program for that industry which the Prime Minister himself had promised to protect, something he has yet to do?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Sure enough, Mr. Speaker, tomorrow we will be in the Acadian peninsula and we will take that opportunity to urge the people to tell the bunch of unelected senators to pass the unemployment insurance reform legislation so that we will be in a position to launch the programs which the Atlantic region needs to make sure that there are opportunities other than unemployment insurance benefits.

The hon. member never misses a chance to rise in the House on behalf of various causes, Mr. Speaker, but I am still waiting for a suggestion from the Liberal Party as to how the federal government might go about settling the issue of lobster prices on international markets.

Oral Questions

RIDING OF LAURIER—SAINTE-MARIE

Mr. Phillip Edmonston (Chambly): Mr. Speaker, my question is for the Prime Minister.

Five and a half months have now passed since the death of our colleague Jean-Claude Malépart. Members of all parties in this House have pointed out that Mr. Malépart was a great defender of Quebecers' interests.

The people of Laurier—Sainte-Marie have been without representation for five and a half months. My question for the Prime Minister is this: When will he give us and the people of Laurier—Sainte-Marie a precise date for the election of their representative? Is he afraid to see a Jean Chrétien or a second member of the NDP get elected in Quebec?

Some hon. members: Oh, oh!

Right Hon. Brian Mulroney (Prime Minister): No, Mr. Speaker, the government must follow a specific timetable in calling a by-election in Laurier—Sainte-Marie—

Mr. Prud'homme: And in Oshawa.

Mr. Mulroney: —and in Oshawa. It will be interesting to see the reaction of Oshawa people because the hon. member of the NDP has asked for a by-election in a Liberal riding but forgot to mention a Socialist riding.

Some hon. members: Hear, hear.

• (1450)

Mr. Phillip Edmonston (Chambly): I wish to ask a supplementary question, Mr. Speaker.

First, I can tell you that I have not forgotten Oshawa, and I can tell you that the NDP is quite prepared in both ridings. There is no problem there.

Mr. Saint-Julien: Tell us about PCBs!

Mr. Edmonston: I am getting to my supplementary question. The unemployment level for the people of Laurier—Sainte-Marie is nearly 20 per cent. They have already been hit hard by free trade and they are being hit hard by the economic situation for which the federal government is responsible. If the people of Laurier—Sainte-Marie do not have a representative soon, could they at least have specific programs to help them?

Mr. Saint-Julien: Ask the senators that!

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have the feeling that very shortly I will be able to set a date for a by-election or by-elections. If you feel at ease in Oshawa— Are you ready for Oshawa?

[*English*]

When I hear Simon de Jong say, "It's time to go", it's time to go.

Some hon. members: Hear, hear!

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Harry Chadwick (Brampton—Malton): Mr. Speaker, my question is for the Minister of Transport. I was most encouraged last year when the Department of Transport announced short and long-term initiatives intended to improve conditions at Pearson International Airport.

At that time we were informed that fines levied against airlines which violate flight path and flight time restrictions would be raised to $10,000. Could the minister tell the House when this important initiative will be implemented.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I appreciate my hon. friend's continued interest in Pearson International Airport. In fact, we did announce that initiative last fall. In March we took additional steps *vis-à-vis* departure paths and changes to take-off and climbing procedures. The amendments which my hon. friend refers to will benefit the residents of Mississauga, Brampton and Etobicoke. They are presently in the drafting stage and I would hope to have them in the House very soon.

* * *

EMPLOYMENT

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, my question is for the Minister of State for Employment and Immigration.

Many young people in my riding make every effort to acquire the skills and training they need to get properly launched in the labour market. Everyone here will know how great a challenge that can be. Governments can and do help with this but these kids need more help. Can the minister tell us what more the government is willing to provide?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, in our jobs strategy, we have programs especially for young workers. I am thinking, for example, of co-operative programs, of occupational training programs. These help young people find and, more important, keep a job.

What we as a government want to do to improve this situation, because there is room for improvement—we presented a new labour force strategy and a reform of the Unemployment Insurance Act. Using these additional funds, we can make the progress required to ensure that young people can find work and obtain the necessary training.

* * *

[*English*]

TRADE

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, my question is for the Minister for International Trade, or in his absence the acting minister. A major portion of the jobs in the town of Kinsville have been lost, 429 workers are unemployed. They are unemployed because an auto parts manufacturer has decided to use the free trade agreement and relocate operations in the U.S. and Mexico. Sheller-Globe has effectively closed the Kinsville plant, opting for $5.75 an hour labour in Indiana, and $1.50 labour in Mexico.

Does the minister continue to support this deal that is driving industries out of Canada and encouraging companies to move to the U.S. and Mexico, costing constituents in my area jobs?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, we certainly do support the trade agreement. When you look at southern Ontario, we have had a major announcement made in Windsor, for example, of an aerospace company. We have had Freightliner of St. Thomas just announce over 1,200 jobs in St. Thomas alone, and at the end of the week we are going to be at a very important announcement by Cani in Woodstock where they are opening a new line and hiring hundreds of new employees.

The free trade agreement is great for southern Ontario. I wish the hon. member knew that.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, my supplementary is for the same minister. Just to point out the facts of free trade in our area, I mention the job closing today. Wayne Bus Manufacturing Company, located in Windsor, also has announced that as of June 15, 1990, 145 workers will lose their jobs.

The company has already moved half of its production to Richmond, Indiana. The company will open a Canadian sales office in the future. Within eight years the free trade agreement will allow all of this equipment to come across duty free.

How can the minister still support this agreement that is daily costing Canadians jobs?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I can support the agreement because 264,000 jobs have been created across Canada since the agreement has been put in place.

Mr. Hockin: I want to say to my hon. friend I represent the same constituency as the premier of Ontario. I received the other day through the mail a very interesting magazine *Business Week*, published in the United States, with a 12-page insert from the province of Ontario in which the premier of Ontario boasts about the dynamic economy of Ontario and how the free trade agreement is assisting it.

Mr. Speaker: The hon. member for London East, a single question.

* * *

HOUSING

Mr. Joe Fontana (London East): Mr. Speaker, maybe the hon. member for London West should come back to his own community and see what is happening in London, Ontario.

Mr. Speaker, my question is for the Minister of Finance. With the interest rates now hovering over 14 per cent, thousands of Canadians no longer can afford to own and buy a home. Canadians who are now renewing their mortgage will have less disposable income to spend on other necessities because of the high cost of shelter. Housing construction is now grinding to a halt, leaving thousands of construction workers without steady employment. This is one of the first industries to feel the brunt of this government's recessionary policies.

With an entire industry collapsing across the country why will the minister not admit that their interest rate policy must be changed and interest rates must be reduced now?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, for almost two years we have had the premiers of the country unanimously calling for a reduction in interest rates. At that time people were saying the housing market was going to go all to hell because of the high interest rate policy.

What has happened is that for two years we had housing starts well in excess of 200,000 every month throughout that period. So I caution the hon. member on drawing conclusions too quickly.

But I acknowledge that the housing starts in the province of Ontario have turned down. I say to my hon. friend that it is important that we do have some easing back here because of the very fast pace of activity over the course of the last five or six years. These inflationary pressures are leading to the high interest rates.

• (1500)

If we are able to cool the economy off somewhat now and get these inflationary pressures out of the system, we will be able to see a much healthier economy in the future and avoid the blow-up that we saw in 1981 which led to that huge recession.

Mr. Speaker: The hon. member for Prince George—Bulkley Valley, a single question.

* * *

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, officials from the Canadian Interagency Forest Fire Centre are expecting a fire season similar to last year when an area the size of New Brunswick was destroyed.

A report released in Winnipeg today stated that the problems that the department had in responding to it were the ones pointed out by the forestry minister.

Can the minister assure this House and the people of Manitoba the full support of federal agencies, including the Armed Forces, so that both governments are prepared for the fire season this year?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I very much appreciate my hon. friend's concern in this area. Forest fires are not only recognized as a major cause of CO2 emissions in the atmosphere, but annually they destroy as much fibre and timber as we are processing through our mills, a $40 billion industry.

I can give the hon. member the assurance that technical experts will be available as they have been in the past to the province of Manitoba and other provinces. We will continue with our major research effort, which has proven very effective and has had impressive results in the sense that we can now, through computer modelling, predict almost any fire in any area. Admittedly, there are costs associated with the pre-positioning of response equipment.

I cannot say that the Armed Forces will be called in to assist with that, but that is an interesting idea.

Mr. Speaker: The hon. member for Essex—Windsor on a point of order.

* * *

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, there was some disagreement which arose in Question Period about whether the comments of Ambassador Burney were in a question and answer session, or part of an address. I wonder if I could have the House permission to table—

Mr. Speaker: The hon. member is quite out of order. I am sorry, but that is a matter of debate and the hon. member knows that he will have to take it up somewhere else.

[*Translation*]

RIDING OF LAURIER—SAINTE-MARIE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I should like to set the record straight about a point of order raised today concerning the riding of Laurier—Sainte-Marie which is temporarily without full-time representation in Parliament.

Mr. Speaker, you would know that the House of Commons does make provision for serving the people of a riding which is unrepresented or vacant as a result of death or resignation. The arrangement is simple enough: party whips, members of the opposition parties as well as government members take over the riding after the Clerk has written to the residents of the riding. Canadians ought to know that the House of commons serves the riding of Laurier—Sainte-Marie, as it does the riding of Oshawa I suppose, but I know that the constituents of Laurier—Sainte-Marie have not been left to fend for themselves. I was there last week to meet with some of the residents, Mr. Speaker. We did respond to their letters, we tried to help those who asked for assistance, and I must say that even the ministers have been co-operative in helping the citizens of Laurier—Sainte-Marie get from the government the services they need.

I think it is unfair to suggest that the riding is unrepresented or without assistance. Quite the contrary, we are doing our best to make sure these people get the services they need. It is not an easy task, granted, but we are glad to work for them.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I want to acknowledge that during this time service is provided by the House. I believe that my hon. friend from Chambly was saying that it was time that it has a member of Parliament in the House of Commons to represent the people of that area.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S.O. 81—ABORIGINAL PEOPLES

The House resumed consideration of the motion of Mr. Walker:

> That this House reaffirm that all persons are equal under the law and demand that the government (1) promote this fundamental human right for Canada's aboriginal peoples, (2) ensure that our system of justice is more responsive and suitable, (3) pursue alternative

aboriginal justice initiatives, and (4) in cases of jurisdictional conflict, that the Government of Canada, in consultation with aboriginal leaders, ensure the protection of the life, liberty, and security of aboriginal people who are entitled to the status of Canadian citizens.

The Acting Speaker (Mr. Paproski): When the House rose, the hon. member for Glengarry—Prescott—Russell had the floor. Since he is not in the House, I recognize the hon. member for Lotbinière on debate.

[*Translation*]

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, first of all, I would like to take this opportunity to offer our condolences to the family of the deceased, after what happened this morning on the Akwesasne reserve.

Mr. Speaker, to many of us, the right of aboriginal people to life, liberty and security of the person has seemed very precarious during the past few days. The situation for residents on the Akwesasne reserve is alarming and dangerous. Most Canadians cannot imagine being in that kind of situation.

Mr. Speaker, it is a difficult matter, and there is also the problem of jurisdiction, since Akwesasne straddles the borders of two provinces and two countries. As you know, talks took place throughout the weekend and continued into the small hours, to try and find a peaceful solution to this problem within the Mohawk community.

For several years, the Canadian side of the Akwesasne reserve has had its own native police services, jointly financed by the federal and provincial governments. These special officers have served the community loyally and well.

Major changes led to a law enforcement system being established by the Akwesasne community, in consultation with the federal and provincial governments.

During the past decade, Indian communities have evolved considerably. Most exercise a greater degree of autonomy, while some operate under their own forms of administrative autonomy.

Today, a steadily increasing number of residents of Indian reserves across the country would like to have their own law enforcement services.

The aspirations of aboriginal people to play a greater role in law enforcement on Indian reserves were boosted by a recent report on this question. A federal interdepartmental task force recommended that the government should continue to support law enforcement services on Indian reserves.

This important document will help us prepare for the challenges of the 90s and represents a major step in developing a consistent federal policy.

After studying crime, incarceration, population growth and employment rates, as well as expenditures and previous policies of law enforcement agencies, the task force put forward a number of principles and findings laying the foundation for future discussions.

We must point out that in-depth consultations will be the key to finding long-term solutions in response to peace and safety concerns of Indian people. Only by meeting with the people who live there and who understand how complex the issue is can we expect to solve long-standing problems.

This consultation process has already started and involves the participation of Indian communities as well as the federal, provincial and territorial governments. These meetings will lead to the drafting of a final report making recommendations to the Cabinet later this year.

The task force report identifies a number of problems some government departments and native leaders are dealing with. One of the most important problems, as illustrated by the current situation in Akwesasne, is the need to clarify the responsibilities of the federal government and those of the provinces.

Our overlapping and sometimes incompatible roles are creating problems for native people who want greater control over their territory.

While recognizing that Indian reserves are entitled to the same quality of service as similar non-native communities, the report stresses that we share the responsibility of ensuring that law enforcement forces in reserves meet community needs.

• (1510)

The federal, provincial and aboriginal governments will have to cooperate and work closely together to find acceptable solutions to the present problems. The report also stressed the need to establish the cost sharing mecanisms to be used by those groups.

The Indians consider as particularly important the fact that the need for an increase in their participation in the process is recognized in the report. The consequences of self-government, service management by native people,

training and operating standards as well as the hiring of native constables are among the issues examined.

We are confident that practical solutions will be found during the course of our discusions on their concerns. We believe we will soon be able to submit new options regarding the native law enforcement services in general.

The study on the law enforcement services on the reserves is not the only ongoing study relating to the peace and the safety of our native people. The Task Force on the criminal justice system and its consequences on the Indians and Métis in Alberta is also doing a very important job in an area inhabited by a large Indian population. The Task Force was struck under the auspices of the Government of Alberta and the Government of Canada. The announcement of its creation was made jointly by the honorable Pierre H. Cadieux, the then Minister of State for Indian Affairs and Northern Development, the Attorney General of Alberta, Mr. Ken Rostad, the Solicitor General of Alberta, Mr. Dick Fowler, the president of the Indian Association of Alberta, Mr. Roy Louis, and the president of the Métis Association of Alberta, Mr. Larry Desmeules. The Task Force reflects a global and positive approach to the concerns of Indian and Métis groups in the province. It will examine issues affecting natives and the criminal justice system, including the disproportionately high number of natives in Alberta correctional institutions. It will also recommend solutions to problems identified in the current criminal justice process.

The study will also deal with provincial law enforcement services, legal aid, the courts, legal practices, correctional and native counselling services.

The task force, chaired by Judge Robert Allan Cawsey of the Alberta Court of Queen's Bench, will submit its report to the federal and provincial governments by December 31, 1990.

Control over justice and law enforcement services is an important step toward self-government, which has received the obvious support of many native groups.

Mr. Speaker, it is interesting to note that control over justice and law enforcement services in reserves is also favoured by most non-native Canadians. National polls conducted in the last two years show substantial support for a separate native justice system. This issue has clearly been brought to the fore by the Marshall inquiry, by the inquiry on native justice in Manitoba and by increased media coverage of other incidents suggesting that the criminal justice system discriminates against natives.

A 1989 Angus Reid poll indicated that 69 per cent of the population favour a separate justice system for natives, while a survey conducted by phone the same year put the level of support at 73 per cent.

Mr. Speaker, in closing, I would like to go back to the unique and frightening situation in Akwesasne. It is unique because the reserve geographic configuration is creating frustrating problems in terms of jurisdiction. Because of these problems, the crimes committed have greatly exceeded the capacities of a community police service. Such a unique situation obviously demands a unique response and we are trying to find appropriate and efficient solutions.

Mr. Speaker, all Canadians are praying for an end to the violence in Akwesasne. The process is already under way to ensure such a situation never happens again anywhere else.

We must learn from the events in Akwesasne and devote all our energies and all our support to solving justice and law enforcement problems throughout the country so that native people enjoy the same protection of life, liberty and security as all other Canadians.

[*English*]

The Acting Speaker (Mr. Paproski): On questions or comments, the hon. member for Broadview—Greenwood.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to ask the member a short question.

One of the problems that we have when we are talking about native justice and reviewing the penal and correctional institutions is that we are basically not leaning to the strength of the native people. The native people of this country and all around the world have a very special skill in their ability and attitude toward the environment.

The member talks about these consultations that have been going on for some time now and will continue to go on, I am sure, for a lot longer. Would he not think it would be a productive exercise to include in those

consultative groups people who are sensitive to environmental issues so that when the correctional institutions or the penal system is reformed, a more positive role could be given to rehabilitation in the native community by using their services, not only in their own community but all communities, by having them make a contribution to the environment by teaching others, by letting them work with reclaiming lands and rivers, et cetera? That, to me, would be a more uplifting way of rehabilitation rather than the current system where we tend to put them in confined quarters where we really do not rehabilitate but tend to put them back even further.

Since the Minister of the Environment is planning to develop, not just a conceptual approach but a very specific action plan in September, I wonder if the member thinks that this approach could be used in this consultative process, and if he could comment on that.

[*Translation*]

Mr. Maurice Tremblay (Lotbinière): Mr. Speaker, I wish to thank the hon. member for his question. I would like to make it clear to him that just because I did not mention the environmental aspect of the Indians' situation specifically does not necessarily mean that it should not be included.

When I spoke about the Akwesasne reserve in particular and more generally about the studies that are being produced or will be produced in Alberta and Manitoba, I am sure that the environmental issue will be raised by those concerned, namely the native people themselves. As you said so well, this issue not only affects them particularly but should also be part of the solution to problems like incarceration and self-government itself.

I would just ask the hon. member not to write to the Minister of the Environment or to make suggestions to him, because if I understand our institutions properly, it would be better to make the chairman of this study or the Solicitor General of Canada or even the Minister of Indian Affairs aware, so that this aspect and others that you and I do not have in mind now can be considered in the light of the problem and that hopefully, adequate solutions will be found.

[*English*]

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. member for Delta.

Mr. Stan Wilbee (Delta): Mr. Speaker, I appreciate the opportunity to speak on this very important topic this afternoon. If it were not for the Meech Lake disagreement or agreement at this time, it would be one of the major points of discussion in Canada. What we are seeing in southern Ontario, Quebec and New York State at this time is a microcosm of the types of problems that we are indeed facing and as a government must deal with.

• (1520)

Canada's record on human rights is very good. People come from all over the world to live in this country because of the freedoms that we enjoy and we welcome others in order that they may also enjoy it. We also need to recognize that there are problems with our aboriginal population. In the past, they have not been dealt with fairly. Things are improving slowly perhaps in some areas, but more rapidly in others. Therefore, this is a good topic for discussion and for debate this afternoon.

We have made a great deal of progress. I can remember when I was a young lad that our aboriginal people were not allowed into beer parlours and could not live in certain areas, just as many of our friends from the Orient were also limited in that area. The recent inquiries that we have seen, such as the Marshall Inquiry and the Manitoba Justice Inquiry, have demonstrated very clearly that our native population has not always been dealt with fairly.

The fact has been mentioned a couple of times today that a disproportionate number of our native people find themselves in jail for offences which, if committed perhaps by a white person, would not have been as stiff. I believe that this is an example of the poverty and the disadvantage that many of our aboriginal people do face.

As a fair government and a fair country, we need to look at these problems and assist our aboriginal people in achieving the goals and aspirations to which each Canadian aspires.

One of the keys to this whole problem is the concept of self-government to which our native population has aspired. This, of course, includes increased responsibility

for their educational, judicial, and social systems that they are working within, and the economic system which must be meshed with the rest of the economy of Canada which we all must deal with.

I believe that if this is carried out in consultation with our aboriginal leaders we will indeed see increased prosperity and increased self-reliance and independence. Already, we are seeing the emergence of strong, dynamic leaders in the aboriginal community. A few years ago this was unheard of and would never have been thought possible. Yet today we are meeting these people. Indeed, the aboriginal people should be very proud of the leaders they are electing and appointing to assist them in this very important area of self-government.

There are certain areas in which the government has been able to assist the aboriginal people in this quest for self-government. We think particularly today of the native justice system. One example where we have been able to do something is the on-reserve policing services. We have discovered, through errors that governments and others have committed in the past in trying to impose one culture on another, that many mistakes and problems have developed. Developing a proper justice system and policing system that takes into account those traditions and cultures is most vital and helpful.

The number of aboriginal people in jail has already been mentioned. Last September an Angus Reid poll revealed this concern. More than half of those polled believed that native people are not treated fairly by the courts; 70 percent of Canadians believe that native people have more difficulty getting hired for good jobs than do white Canadians; most also feel that aboriginal people deserve to be a lot better off financially than they are now. It also pointed out that Canadians are more likely to support than oppose aboriginal self-government. Over half of those surveyed agreed with the statement that the Canadian Constitution should specifically recognize the right of Indians to govern themselves on their own land without interference from white society.

These are very encouraging opinions and indicate to me a large body of goodwill among Canadian people to our native population. I only hope that it increases over the years. Canadians could not do anything else but to encourage policies and programs that would enhance that ideal and goal of self-government.

Another area in which the government is assisting aboriginal and native people to look after their own affairs is through a couple of very significant programs. One I would like to mention briefly is the Alternative Funding Arrangement or the AFA in which the government allows the individual tribal councils and bands to transfer funds from one program to another. We are all familiar with the complaint that they have made over the years that they are given money for a specific project and are unable to use it in another area where it may be of more value. This program assists those bands and councils to transfer funds without going through all of the annual budgetary changes that are necessary. This speeds up the whole process. Again, there is obviously room for improvement, but it is a step in the right direction that the Canadian government is taking.

The second program I would like to mention, again very briefly, is the Canadian Aboriginal Economic Development Strategy. This is designed to encourage economic development and decision-making at the local level with the recognition that the economic success rests with the aboriginal people themselves. Often we have taken a very paternalistic attitude toward our aboriginal people, that they could do nothing and it required a white man to run the show. More and more we are seeing the development of the native economic leaders themselves. This is a program that I support 100 per cent. It encourages them to move out into new areas of economic development. I think of the development in my own area of a significant tourist resort. They have some choice land and through this particular program they are discussing with the government the possibility of establishing a resort.

Another area that we should mention briefly concerns the Indian Act. So often in the past this has done nothing but impede the economic, political and social development of our aboriginal communities. Specifically, we are talking of the review of the lands and revenues, and trust review. This review is being used to examine the agreements between the various bands and councils so that they can be made more effective and utilized by our native populations for their own ends rather than having to depend on the bureaucracy in Ottawa or other major centres.

This produces an opportunity for a review in consultation with the bands and councils. This is an area which I feel could be expanded in the future and perhaps speeded up somewhat, so that the relationship between government and Indians could be redefined to truly reflect the needs of our native populations.

Our government is clearly committed to the eventual constitutional entrenchment of self-government. I mentioned in my opening remarks the prominence of the Meech Lake Accord at this particular time. Aboriginal rights are a key item for future meetings between the First Ministers and the government of this country.

While many problems must be addressed, there are optimistic signs for us. I feel quite optimistic that as we work together with our native population, we will bring about solutions to these problems.

In conclusion, let me say that human rights is not some abstract, theoretical concept to which lip-service must be paid. Rather, it is a real expression of the desire of people to be independent and in charge of their own lives and destinies. It is a wish to be treated with respect and fairness. The aboriginal people of Canada share these goals with us. They are something toward which we will work together.

• (1530)

The Acting Speaker (Mr. Paproski): There has been a request to allow the hon. member for Glengarry—Prescott—Russell, who has the reserve in his riding, to continue with his seven minutes. Is there unanimous consent to allow the hon. member to finish his seven minutes?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Before the hon. member speaks, are there any questions or comments for the hon. member for Delta? There being none, I will recognize the hon. member for Glengarry—Prescott—Russell for the seven minutes then I will recognize the hon. member for Halifax.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I would first like to thank the Chair and hon. colleagues for allowing me to be able to make further remarks for the remaining seven minutes to which I was entitled. Unfortunately, after Question Period I could not be here to take advantage of the seven minutes that I had left to me.

This morning I reviewed with you, Mr. Speaker, some of the tragic and difficult situations that my constituents on Akwesasne have to live with in their everyday lives. I described the border issue.

Today during Question Period hon. colleagues were asking questions. One could tell that not everyone is familiar with the idea of how the border is situated and the difficulty in having access to Akwesasne and so on. That became obvious. It is a literal nightmare of jurisdiction.

I now want to turn to another subject, that being some of the difficulties that the people of Akwesasne have encountered in retaining their traditional way of life, or anything that resembles it.

First, the fact that they are partly in Ontario, partly in Quebec and partly in the New York state is difficult, at the best of times. Some years ago, the St. Lawrence Seaway Authority constructed a bridge between Canada and the United States at Cornwall. It was felt that the appropriate location for the bridge would be across Cornwall Island, therefore on the reserve of Akwesasne.

Although that bridge has been there since I was a little boy, the natives inform me that there is still a dispute over the amount of moneys owed to them by the federal government for placing the bridge there. As a matter of fact, they claim that they have yet to be paid for the location of that bridge which has been there for 30 years or more.

The people of Akwesasne, particularly those on Cornwall Island, for many years were farmers. Many of them were fishing guides and they worked well in that environment. I use the word "environment" advisedly.

As a result of the construction of the St. Lawrence Seaway, a number of factories established themselves in that area. On the American side there is a foundry known as General Foundry, which is a subsidiary of General Motors. Behind General Foundry, right on the banks of the St. Lawrence River, are these huge outdoor containers—they are actually large holes in the ground—in which there are toxic chemicals, right on the banks of the St. Lawrence River.

Immediately west of Akwesasne is the Alcoa plant, and right beside it is the Reynolds Aluminum plant. From the Reynolds plant, and possibly from the other one too, I am not sure, emissions of fluoride fall on the community of Akwesasne, particularly on Cornwall Island. It got so bad that approximately a decade ago the farmers of Cornwall Island had to get rid of their cattle. They were forced to slaughter the animals because the

milk given by the cows was contaminated and not fit for human consumption. The teeth of the children of Akwesasne were in awful condition as a result of the over-exposure to fluoride and that situation still exists.

I have a report here entitled "Phytotoxicology Investigations in the Cornwall area of Ontario in the vicinity of the Reynolds Metal Company and the Aluminum Company of America, Massena, New York". That report of 1988 says that the fall-out from those plants is still dangerous for human health today. This is about a decade after we came to the very sad conclusion of how this was affecting the lives of the people.

I said that the people of Akwesasne were also fishing guides and had a traditional way of life in that regard as well. You can imagine what that pollution in the St. Lawrence River has done to the fish and what it has done, of course, to the potential of being a fishing guide. So all in all we have severely damaged their way of life. And when I say "we" I mean we as a society. I am not blaming any one singularly, but all of us collectively, for having damaged that lifestyle.

We have, of course, the crime rate and the other difficulties that I talked about earlier this morning which I will not repeat, and so on.

I would like to make the following point in conclusion. Outside the community of Akwesasne are all the good people who live around it. My constituents and others from the city of Cornwall, represented by my colleague from Stormont—Dundas, work in such positions as customs officers and so on. Canada Customs is located on Cornwall Island right in the middle of Akwesasne. Can you imagine having to work at that place today, Mr. Speaker, in the middle of this crisis that we are living through right now? This is a very difficult thing for the people of my constituency and those from Stormont—Dundas and elsewhere who work there.

My colleague from Stormont—Dundas today asked the Minister responsible for Customs and Immigration to get an undertaking, first, that the people would not be moved to the new office on Cornwall Island, because a whole new group was supposed to move there next week. We did get that assurance. However, my colleague was also asking the Minister of National Revenue for a commitment that there would be a complete review of that plan before anyone is moved, not just now but even later, after this dispute ends, and hopefully it will end soon. We have not yet had a positive reply to that and I hope that the minister will speak later and give us that assurance.

In conclusion, I want to thank the House for granting me these extra minutes to be able to conclude these remarks. I want to appeal to the residents of Akwesasne, particularly today. I want to appeal to their good senses and to their calm because there are going to be difficult hours and days ahead of them. I want to remind them, through you, Mr. Speaker, and through this House, that the violence will not end with more war, the violence will end if everyone keeps their senses and does their best to restore law and order in Akwesasne.

The Acting Speaker (Mr. Paproski): On debate, the hon. member for Halifax West—Halifax, sorry.

Ms. Mary Clancy (Halifax): Mr. Speaker, just on that point I will say, before I begin my remarks, that the hon. member for Halifax West and I grew up on the same street, albeit a number of years apart. We are both Haligonians but as you, Mr. Speaker, are aware, we do have a different party affiliation.

I rise today to speak in strongest support of the motion moved by my colleague, the member for Winnipeg North Centre. I begin by quoting from that motion:

> That this House reaffirm that all persons are equal under the law and demand that the government (1) promote this fundamental human right for Canada's aboriginal peoples—

There is more in the motion, as you are aware, but I would like to begin my remarks in this debate on this particular area.

• (1540)

My colleague from North Delta made some very interesting comments a few moments ago. He talked about the fact that Canadians can be proud of their human rights record and that people come from all over the world to make Canada their home because of this record. With the greatest of respect to my colleague, I think this has become a myth that too many Canadians

believe. It is a myth which examination of the facts in Canada show to be untrue.

We have perhaps a small problem in Canada in that we tend to be a little smug when we look at our neighbours to the south. We tend to think that because we are smaller, more spread out, because we have a history that has evolved into a democratic nation rather than being born through revolution, because we tend to be less violent, at least on the face of it, than our American cousins, that all of these things add up to a Canada that is somewhat better, more congenial to all peoples, less bigoted and less racist. The sad truth is that this is just not the case.

We do not have to look very far to see that this is not the case for people who are visible minorities. It is not the case for women. It is not the case for new Canadians in their first, second and even third generations. It is not the case at all and it is something about which Canadians have to do something.

I refer, first, to this year's report of the Canadian Human Rights Commission. That report states that in a year that witnessed the fortieth anniversary of the Universal Declaration of Human Rights, the contrast between the ringing affirmation of human solidarity that that universal declaration gave and our common practice seems particularly harsh.

In relating it specifically to the question of Canada's first people, the report noted that the special committee of Parliament on Indian self-government recommended in 1983 that the federal government establish a new relationship with Indian first nations and that an essential element of this relationship be the recognition of Indian self-government.

This report was accepted by the government of the day in 1984. Later in that very year the new government agreed that aspects of self-government could and should be dealt with in the context of Indian land claim negotiations. Consequently, the report states that the issue today is not whether aboriginal people should have greater control over their own affairs, but the nature and the extent of that control.

We look at the problems besetting native Canadians and I think we have to hang our heads in shame. My province of Nova Scotia has been singled out, and to a degree rightly so, for its treatment of Donald Marshall Jr. After many years, long hearings, much soul-searching, the royal commission known as the Marshall Inquiry was published earlier this year. That commission made 82 recommendations. Those recommendations covered a gambit of areas from criminal trial procedures to police investigations.

For the purposes of this motion it is important to note that the commission found that the fact that Marshall was a native was a factor in his wrongful conviction and imprisonment, that the immediate response to the death of Sandy Seal was entirely inadequate, incompetent and unprofessional and that the fact that Donald Marshall was a Micmac was one of the reasons that the police identified him as a prime suspect.

A further finding of the commission was that racism played a part in a wrongful conviction and imprisonment. Further recommendations were that the Department of the Attorney General and Solicitor General in Nova Scotia adopt and publicize a policy on race relations; that the Government of Canada and the Government of Nova Scotia, as well as the Nova Scotia bar, financially support Dalhousie Law School's new special minority admissions program for Micmacs and indigenous blacks; that there be law school programs for visible minorities and that training for police officers include discussion of minority issues and encourage sensitivity to minority concerns.

I might add that this, too, is mentioned in the report of the Human Rights Commission and that the Human Rights Commission notes in particular that this kind of training is now taking place in the RCMP. But, Mr. Speaker, it must take in police forces nation-wide to prevent travesties of justice similar to that in the Donald Marshall case. Donald Marshall spent 11 years in penitentiary for a crime he did not commit. Nothing will give him back those 11 year. Nothing, except a completely new and fair attitude on the part of governments and on the part of people, will redress the wrong done to Canadian native peoples.

Further recommendations of the Marshall Inquiry are that a community controlled native criminal court be established in Nova Scotia; that a native justice institute be established with funding from both the federal and the provincial governments and that in Nova Scotia in particular Micmac interpreters be provided in all courts in the province.

One of the things noted in the report of the federal Human Rights Commission is that the evidence that native Canadians are over-represented in our prisons is inescapable. In a report prepared for the Canadian Bar Association in 1988 it was shown that 10 per cent of male inmates and 13 per cent of female inmates in Canadian federal penitentiaries are native, although native peoples make up only about 2 per cent of the general population.

The situation in provincial institutions is worse. In fact, it is a tragic but true situation that an Indian child born in this country has a far greater chance of going to penitentiary than he does of finishing university.

It was discovered in the course of the Marshall Inquiry that the lack of an interpreter for Donald Marshall at his initial trial, and even at his later hearing where he was finally cleared, was a major obstacle to his fair treatment by the court.

When I visited Yellowknife in the Northwest Territories some months ago I learned that one of the towns in the north—I am sorry, I forget which one—declared itself octolingual, to represent all of the languages spoken including, I might add, English and French, and six different native languages in that particular small town.

We can all learn from that kind of a gesture, particularly in the Canada of today, where so much tension, unhappiness and insensitivity is driving our nation to the brink of break-up because of a lack of a sensitivity by some of our people toward other of our people on the question of language.

If Donald Marshall had had an interpreter at his first trial in the early 1970s, I do not say that that would have made a major difference, given all the other problems, but it might have made his own time there a little easier. It might have turned up something that the courts would have had to listen to. It might have helped prevent the tragedy that then unfolded over the next 11 years.

• (1550)

The report also calls for public awareness programs. This, I think, is one of the areas of such great need, where all of us can lead, because the problem almost goes beyond that of ordinary racism and ordinary bigotry.

Too many Canadians, *vis-à-vis* our native peoples have, not even a paternalism, which would be hard enough to accept, but a total ignorance, a total obliviousness to the fact that these are the indigenous people of Canada, that they have a specific culture, lifestyle and way of life that they have right to see continued, that they have a spiritual element that may be different from various other groups in this country but that is part and parcel and an integral part of their lifestyle which must be continued and respected by other Canadian citizens.

Until we see that in our schools, universities and other cultural institutions and on our television programs that sensitivity will not be created.

Bear in mind that everything that is stated regarding the province of Nova Scotia is equally true for every other province in the country and for the national government as well. Further recommendations of the Marshall Inquiry were that the Chief Justices and Chief Judges of each court in Nova Scotia should exercise leadership to ensure fair treatment of minorities within the system, that provincial funding to legal aid be re-examined to better serve the needs of minority clients and that municipal police departments and the RCMP actively recruit minorities.

Again, as part of the sensitivity and the training of police forces natives must be hired in these police forces and have input into the manner in which their people and they themselves are dealt with by these forces. A further recommendation was that official policies on the elimination of racial stereotypes be developed by all levels of government.

Nobody would stand up in this House and deny the need for any of these things. Nobody would stand up and deny the need for any of these programs. Nobody would stand up in this House and suggest that the status of native people in this country is anything that we can be proud of, that the treatment of native people by newer Canadians such as ourselves is anything that we should be prepared to boast about.

The time has come for action, the time has come for specific programs, but that is not what we are seeing. What we have seen, on the other hand, is the cancellation of the native communication programs.

While Donald Marshall was languishing in the federal penitentiary in Dorchester, New Brunswick, there was

one champion for his innocence, one champion that worked on and on all during his incarceration to see justice done. I refer, of course, to the *Micmac News*. The *Micmac News* has been published in Nova Scotia for over 20 years. It has a circulation among native people and others of over 4,800 and it has done a tremendous amount of good. It has been a source of communication and pride to the Micmac community in Atlantic Canada and it is the only major native newspaper in Atlantic Canada. Mr. Speaker, its federal funding has been cut.

This is a tragedy. It is more than just a tragedy in the sense of a loss of a communication instrument for native people. For native people in Atlantic Canada who know that the *Micmac News* was so much a first cause in the final freeing of Donald Marshall there is a fear that the reason it has been cut is a deliberate move—I do not suggest this, Mr. Speaker, but among native people the feeling is it is a deliberate move to silence a voice that has done some good for native people.

The attitude among young native people in my region is that the white man's government is not relevant to them, that the white man's government does not care about them and that empty promises, broken promises and paternalistic feeling do nothing but cause amusement and despair. The amusement we might be able to do something about, but the despair goes right to the root of the lives of desperation that people live because they do not have the wherewithal to make it in a society that forever shunts them to the side.

Donald Marshall is the example to which we can all point. We know about Donald Marshall, we know what has happened to him and we know what it has meant to his life to have 11 years taken away from him, 11 years from the age of 17 to 28 when he would have been being educated, learning a trade and starting his lifelong career.

Native Canadians right across the country are suffering every day. They are suffering because our society puts little or no value on their contribution, because our society refuses to understand that the way they live their lives is as important and as relevant to the great cultural fabric of this country as the way those of us of Irish, English, French or Polish descent live our lives. It has to stop. It has to stop by a concerted effort of government to follow the kinds of recommendations that the Marshall Inquiry has suggested.

As I already mentioned, we see in Canada today a disproportionate number of natives in prison. Interestingly enough, the figure is even more disproportionate for native women than for native men. We see a disproportionate alcoholism rate, a disproportionate unemployment rate and a disproportionate suicide rate. All of these things lead us to see that the overwhelming spirit in the native community, if we do not act to right these wrongs and redress these wrongs as soon as humanly possible, is despair.

Canada is not a country that should engender despair in any of its people. Canada is a country that should engender hope for the future with a pride in the past, a pride in the past from our native peoples who were here when we got here. If we do not take care of this country the way we should, they will still be here after we have gone.

I can only add my voice to that of my colleagues from Winnipeg North Centre, Glengarry—Prescott—Russell, Stormont—Dundas and others who have spoken and will speak today and say to this government and to all of us here in Canada: for God's sake do something, act on these recommendations, show that our government and our country is not callous and uncaring, show that our government and our country puts a premium on all its people wherever they live, whatever their background and, most particularly, on our native people.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I do not have a question for the hon. member but I would like to add my voice to the debate in this comment period.

I agree with the member's analysis that the fundamental problem is a complete lack of hope. I have long been interested in this. In fact I did an honours paper at university on the history of the Indian franchise in British Columbia so I have a demonstrated interest in that. Now that I am the member of Parliament for Saanich—Gulf Islands I have tried to reach out to the native communities in my district. I am finding that they feel very apart and outside of the mainstream of political activity.

• (1600)

There is a very real fundamental mistrust of federal or provincial politicians to in any way address their requirements. I think that that is an historical mistrust. We have never been able to give them the kind of representation that they feel they require. I think there is this fundamental mistrust because we do not understand and also because of the kind of hurts that have been generated over history. Many of the comments by my colleague from Comox—Alberni this morning speak to that fundamental mistrust and the reasons for it.

I would like to reiterate what he said about that. If we are going to get real treatment for native justice in Canada we have to focus on the fundamentals. They are three: The first is constitutional recognition. We now have a constitutional crisis in our country. It is because, I believe, of the lack of consultation with ordinary people. The politicians felt more able and adept at handling constitutional matters than ordinary people and this is what we have. got. We have a mess.

The second item in recognizing the fundamental problem of native people is land claims. How can we give people the kind of recognition and respect that they deserve if we do not even recognize that they were here first and have some sense of ownership and some sense of responsibility to their land. They did it a whole lot better than many of us. Sitting on the environment committee, I have listened to members of many tribes speak of the kind of reverence they have for their environment. We could learn from them, Mr. Speaker, and we are not doing a very good job of that.

Finally, as my colleague from Comox—Alberni has pointed out, what we should be doing is strengthening human rights legislation. As the member from Halifax points out, we have a reputation but sometimes one wonders whether that reputation is well deserved or not. They say you cannot legislate morality. You can make sure that cases such as Donald Marshall will never happen again. For those people crying out for the renewal of capital punishment, Donald Marshall is certainly a case in point where the fundamental inhumanity dealt to this person from a native community would not have occurred if he were not a native.

My task as a member of Parliament in trying to represent all of my constituents is to build those bridges of communication and to try to speak to people and get them to trust so that they can tell us what they want us to do as their representatives.

Ms. Clancy: Mr. Speaker, I would like to thank my colleague from Saanich—Gulf Islands for her comments. I would like to add to what she has said when she mentioned, in particular, the subject of human rights. There are two points, Mr. Speaker.

One is the need for promotion of human rights vehicles and the response through provincial and federal human rights commissions in native communities. There is very little awareness and it has certainly given the federal government responsibility for first people. I think it is a policy which could be acted upon and acted upon quickly to promote the use of human rights commissions through the native communities in this country.

The second comment I would like to make in response to my colleague's comments relates to a situation that arose again out of the Marshall case that I heard in Nova Scotia. There was a civil suit that arose from some of the goings on in the Marshall Inquiry. The lawyer involved told me that he had asked a young native Nova Scotian to testify. The young man said to him: "Why, what good will it do? It never works for us. The system does not work for us, it only works against us." My friend tried and tried to convince him that the system could work for him. This young man, who I think was every day of 22—tragically the same age as that young man who died today at Akwesasne—said: "No, I am sorry; I do not believe you. I have no faith in your system; it will never do me any good". We cannot continue to allow this to be the case in our country.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I wish to make a couple of short comments. This is a subject that moves me a lot because I have had the opportunity, in the past, as a journalist and as a broadcaster to do several documentaries about the Indian community and the problems related to our aboriginals in this country. My friend, the hon. member for Saanich—Gulf Islands, talked about mistrust and misunderstanding, and it is the absolute truth.

One of the problems we have, and it is a very complex matter, is that we simply just do not know each other. We do not work with each other. There are a lot of middle-class, white Canadians in this country who will offer gratuituous comments about Indians and yet they

have never worked with them, befriended them or been with them, or ever been on a reserve.

Actually—and it is unfortunate in many ways—it is not normal for a lot of Canadians to have native Indians come into their lives every day, every week, or every month. In fact, I suspect there are many, many, if not millions of Canadians who have never shaken hands with a native Indian and it would do them well to do it. They should visit Indian reserves in northern Manitoba, northwestern Ontario and Saskatchewan, as I have. It would be an eye-opener. They would realize that these are human beings who want to live in peace, who want to prosper, who want to get ahead, and who have feelings like the rest of us.

It is something that moves you and hurts you a lot when you visit a reserve and discover that perhaps, in the winter time, 95 per cent of the adults, men and women, are unemployed and perhaps in the summer time it may go down to 70 per cent or 80 percent. That is how shocking it is. The problem is enormous.

Yes, there is a constitutional crisis; yes, we have to deal with land claims; and yes, we have to deal with some of these issues that are in the news all the time, but I would suggest that at the root of it is this mistrust and this misunderstanding and all of us, including the government of the day, should do something to help us get to know each other better.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate, but before I recognize the hon. member for South Shore—

[*Translation*]

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 Chambly—Women's Centres; the hon. member for Okanagan—Shuswap—The Environment; the hon. member for Thunder Bay—Nipigon—Pearson International Airport.

[*English*]

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I am pleased to have an opportunity to participate in this debate this afternoon. I am particularly pleased to speak following my good friend, the hon. member for Halifax. I rarely follow my hon. friend but I am always pleased to speak after her in debate, and today is no exception to that.

I wish to begin by commending the hon. member for Winnipeg North for bringing forth this very important set of issues relating to human rights in Canada and, indeed, relating to native people.

It is curious that he mentioned privately to me, when we were speaking a few minutes ago, the coincidence that today should be the day for this debate when we have, in fact, seen such a tragic event in Canada and North America relating to native people and, indeed, to the administration of justice on both sides of the border. I wish to commend him for bringing this issue forth because what we are talking about here today is, fundamentally, human rights. Issues of human rights are really issues which are non-partisan. They are issues that are of concern to all members of this House, I am sure, and they are of concern to all Canadians because, as Canadians, we value very highly our concept of our country as a democratic country.

• (1610)

The equality of Canadians, which is so much a part of the ethic of Canadian society and indeed a part of the Canadian Charter of Rights and Freedoms, is something that we must continuously pursue until such time as we can be satisfied that it exists in practice throughout our country before the courts, before the police and in terms of access as well as opportunity to participate fully in all aspects of Canadian life.

Increasingly over the next decade we are going to see issues such as the issues that we are dealing with today become more and more in the forefront of Canadian consideration. Our society is changing at a phenomenal rate, and it will continue to change at a phenomenal rate because of the immigration needs of Canada. It is inevitable that we will continue to see the development of our population as a multiracial population. Issues such as whether or not people who may be different by virtue of their skin colour, their culture, their language, their religion or other aspects of their cultural heritage may find themselves in the position where they are not treated equally as Canadians. That is something that we

must all seek to eradicate in order that our country will live up to the principles articulated in our Constitution.

Native people in Canada are in a particularly unique position as compared to other persons who might be referred to as minorities in Canada. Quite simply, others who have come here as immigrants have chosen to come. They recognized when they left their homelands that they may face circumstances that are different, and that they may have challenges beyond those which they might face if they stayed at home. This is not the case with native people, because this is their ancestral home and the place where they should quite legitimately more than any other Canadians be able to call their homeland.

At the same time, when we talk about equality of Canadians sometimes I have had people say to me: "Why is it that native people have special status? Why is it that we talk about the equality of all Canadians, but yet native people have special privileges that other Canadians do not have, recognized in the Indian Act or elsewhere?" Quite simply, native people do not have special status in Canada. They are equal and pro-Canadians.

I noticed in my hon. friend's motion that there was something with which I wanted to take issue. In the motion he refers to the security of aboriginal people "who are entitled to the status of Canadian citizens". Native persons are Canadian citizens, full and equal with all other Canadians but they do enjoy benefits that other Canadians do not enjoy that relate to their special inheritance, in particular as status Indians as recognized through our law, Constitution and our traditions.

These special privileges that I often hear people criticize, one should remember, are no different than the inheritance that any other Canadian receives from his or her parents or ancestors, in the same way that my father may leave me certain of his property, rights or privileges when he passes on. Similarly, native people have legitimate right to receive from their ancestors certain rights and privileges that may accrue. Our goal must be to recognize all Canadians as equal under the law of Canada, and this is an aspiration that we must pursue.

My hon. friend from Halifax made reference to and spoke very sensitively on the subject of the recent Marshall inquiry in our province. There is no question that that was a landmark, a very important investigation in the history of this country, and in the history of the administration of justice. I read that report with fascination. It was one of the most interesting documents of its sort that I have read in a long time. It was absolutely captivating reading and made some very valuable and important recommendations for our society.

I have said previously on a Standing Order 31 in this House and would say again today that Canadians from other provinces should not be smug about the Marshall report. Perhaps my hon. friend from Halifax has had people say to her: "What's your problem there in Nova Scotia?" The fact is it is not our problem there in Nova Scotia. Inquiries could be held in other provinces that could reveal the same problems with respect to the administration of justice, or possibly the administration of other public institutions in our society.

We happen to be in a position in Nova Scotia where we have now had the definitive evidence of a problem that we have to come to grips with in Nova Scotia. I am pleased to see the quick response of the Government of Nova Scotia to that. I am also pleased to see that the Minister of Justice for Canada and her officials have been reviewing the recommendations of the Marshall report to see if there are implications for the Government of Canada, and if they would identify needs on our part to change the way things are done nationally.

I would expect, as well, that the forthcoming report of the Manitoba aboriginal justice inquiry will also give us an opportunity for further insights and understanding in this whole area. I think we can expect that the dialogue is only just beginning at a very serious level in Canada. I think people could argue quite legitimately that perhaps it is overdue. Nevertheless, the dialogue is well under way.

The motion by the hon. member for Winnipeg North demands that the government "pursue alternative aboriginal justice initiatives". I am pleased to say that this government is deeply concerned about the native justice issues and is engaged in a number of initiatives in this area, some of which I would like to mention briefly today. First, I would like to provide a context for the discussion before addressing the specific initiatives which the government has undertaken.

By its nature the justice system deals with conflicts between individuals, between individuals and the state, and between groups. Accordingly the issues discussed here tend to focus on problems, concerns about abuses and wrongs done. It is, however, necessary to approach the development of responses to these problems positively. It is necessary to focus on the evolution of a system of justice that is meaningful for all Canadians, to search for laws, procedures and institutions that exist through the free consent of all citizens regardless of culture or race.

One of the areas of concern to native people in Canada is the provision of policing services on reserves, something of which we have been very much aware in the last week or two in this country. The importance of policing services in the development of effective justice administration is reflected in the fact that the Department of Indian Affairs and Northern Development undertook a review of Indian reserve policing to canvass the variety of present policing arrangements, examine the question of jurisdiction and assess alternative models.

These efforts which involve national consultations seek to ensure that Indian communities have access to appropriate kinds and levels of policing services. In January 1990 the final report on reserve policing was released publicly, and I understand consultations with interested parties are anticipated to be completed later this year.

As previously noted, aboriginal offenders are disproportionately represented in prisons. The ministry of the Solicitor General responsible for federal correctional services has taken special effort to identify programs and services that will ensure that programs and institutions are responsive to aboriginal concerns and needs. These efforts have often been undertaken in consultation with aboriginal organizations and groups, and encourage the active participation of native communities.

The correctional law review process and the task force report on the reintegration of the aboriginal offender both point to the commitment of developing programs in dialogue with aboriginal communities. The administration of justice is one of the matters that may be discussed in aboriginal self-government negotiations. In preparation, the Department of Justice led an interdepartmental committee to develop principles to guide the negotiations. This is part of the government's ongoing commitment to the concept of aboriginal self-government.

All members should be aware that the government and this minister are receptive to initiatives developed by the aboriginal communities themselves. I might say that for the first year and a half that I had the privilege to be a member of this place, I dealt a great deal with the minister who is now the Minister of Indian Affairs and Northern Development. I found that as Minister of Fisheries and Oceans he was one of the most approachable ministers of the government, and I can see that he is off to an outstanding beginning as Minister of Indian Affairs in having concluded some absolutely landmark agreements in the history of this country. There is no doubt in my mind as to his receptiveness.

The Department of Justice provides funding in a variety of aboriginal justice areas. In addition to proposals for radical institutional reforms such as would be implied by proposals for separate tribal courts and similar mechanisms, aboriginal communities and organizations have proposed a wide array of alternative program models. Various other proposals have relied upon mediation and arbitration schemes which, being consentual in nature, only work if the parties voluntarily participate. These may offer wide scope for accommodating the particular values and traditions of the community.

• (1620)

In conclusion, it would be difficult, even inappropriate, to attempt to identify all the alternatives that might be available to Canadians in this area. At this time, we can only agree that alternatives to existing processes, as well as improvements to the existing ones, are at the heart of long-term solutions.

As the government explores new approaches, whether in the community self-government negotiations, the renewed constitutional discussions, law reform initiatives or elsewhere, the participation of aboriginal Canadians will ensure that appropriate alternatives are considered and the human rights principles that characterize our system of justice are advanced for all Canadians.

The Acting Speaker (Mr. Paproski): Questions or comments? Debate, the hon. member for Regina—Qu'Appelle. It is a 10-minute debate and five minutes

for questions or comments. You are splitting it with the hon. member for Victoria?

Mr. Simon de Jong (Regina—Qu'Appelle): I am, Mr. Speaker, and thank you very much.

Mr. Speaker, it is a pleasure for me today to join in the debate on the motion of the Official Opposition regarding an Indian justice system. In my constituency of Regina—Qu'Appelle, I have over 11 Indian reserves. Most of them are Cree, although I do have some Sioux. As well, that part of Regina which I represent has a fair number of urban Indian people, not just treaty people, but also Métis and non-treaty people.

I have been a friend, an observer, and an associate of the native community back home for a number of years. As a new Canadian, a person whose family came to this country not too many years ago, I have to acknowledge the original people in this country, the Indian people. The fact that I now represent them in this House of Parliament, I feel, puts a special responsibility on my shoulders.

We have heard many members speak eloquently in this House today about the plight of the Indian people. We have heard about the statistics. Back in my own province of Saskatchewan, some 36 per cent of the inmates in the federal penitentiary are native people; in the provincial penitentiary, over 85 per cent of the inmates are of native ancestry. People of native ancestry only constitute 16 per cent of the Saskatchewan population.

When we consider the social statistics such as marriage breakdown, alcoholism, life expectancy, the rate of death by violent means, housing conditions on reserves, the unemployment rate, one has to come away with a sad heart and say that this is indeed the worst of Third World conditions.

Yet, I think it would be wrong for us not to also see some positive things. We can stand and lay blame that goes back many, many years, to the paternalistic attitude that previous governments have taken. It was not until toward the end of the 1950s that a band could sell a cow without having to receive the approval of the Indian, agent who had to get the approval from Ottawa.

If there was ever an indictment of over-welfare, certainly the Department of Indian Affairs and our treatment of Indian people is that example. We never gave them an opportunity to be responsible for their own lives. Some of that is beginning to change. We see positive developments in terms of developing educational institutions on the reserves, manned and operated by the bands. We are beginning to see some economic agreements between the bands and the Department of Indian Affairs and Northern Development that are beginning to allow for some economic development. We are beginning to see bands taking over the administration of social services, housing, and these other programs on the reserves themselves.

We, as members of parliament, should be encouraging these developments because, in the end, people having responsibility over their own lives is what it is really all about. Let the Indian people regain responsibility over their own lives. It is in this way that the Indian people will regain for themselves their own sense of pride. If there is one thing that the white civilization has done to our Indian brothers and sisters over the years is to take away their pride.

We almost destroyed them as a people, but as I mentioned earlier there are some hopeful signs that Indian pride is coming back. Every year I attend powwows on my reserves and in the 11 years that I have been a member of parliament I have seen these powwows grow not only in terms of numbers of people participating in them but also in the rebirth of Indian spiritualism that accompanies their renewed sense of pride. I see it in the faces of the young men and women going to the powwows on those reserves. I see that this Indian spiritualism is being used to combat problems like alcoholism on the reserve. They are beginning to get back their pride, which is essential if we really are concerned about the welfare of the Indian people.

The other area that needs serious attention is the native justice system. The opposition motion today deals with that question. Again we see some positive things. Toward the end of last year I had the honour and the privilege of participating in a ceremony in the town of Fort Qu'Appelle which started a training program for young Indian and Métis boys and girls who were going to enter the program to become Indian special constables in the RCMP.

I have to acknowledge the role that the RCMP has been taking. The RCMP is beginning to realize that they

need native constables, especially if they are going to be dealing with the question of policing the reserves.

Much more needs to be done. All those programs are under-funded. There are more young Indian people wanting to apply to those programs than there are openings. I think about the Saskatchewan Indian Cultural College. Again we are seeing young Indian men and women wanting to advance their education and yet, unfortunately, the funding is being cut off to those important programs.

We have heard some of the possible solutions in speeches today. One of the most important ways to solve the problems that Indian people are facing is to resolve the land question. We have not lived up to commitments that previous governments have made to the Indian people. In fact in many instances we have stolen land from the Indian people. We have ignored legal agreements that we have made. In the past, crooked Indian agents have swindled Indian bands and Indian people out of their rightful land. This has got to be corrected.

Land settlements will begin to create an economic base that would allow the Indian people to develop a self-sustaining economy within their bands, thereby providing employment, and setting positive models for the Indian people.

The second area that I believe is important is education. We cannot and should not deny education opportunities to the young Indian men and women. People without pride lack positive role models. We are beginning to see positive role models developing in the Indian community. These are young men and women who have done exceptionally well at post-secondary education, very often against tremendous odds. Very often they do not have the white support or the family support in the urban setting.

Many of these young Indian men and women come from the reserves directly into an urban centre where they usually do not have the support system they need. They have to combat the temptation to become involved in the down side of urban Indian living is there. They have to combat the pressures and the newness of a white university system. Very often they are not adequately trained in terms of their past high school record so they need special help and attention as well.

• (1630)

Those young Indian men and women who have come through the system with their degrees are really people whom we should all admire. They are the positive role models. They are the future for the Indian people.

If there is anything I can do in this House in terms of my appeal to government members, it would be to ensure that funding for post-secondary education to native young men and women not be curtailed, that we give them every opportunity of availing themselves of post-secondary education, because that is where the future lies.

The third area which is important is the area that the Official Opposition has raised. We need a justice system that is sensitive to Indian needs and Indian values. To this end, I sincerely urge the government to give the matter serious consideration, not just lip-service, to ensure that a system will evolve that will indeed provide justice to our Indian brothers and sisters.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I would like to thank my colleague for his excellent comments and for contributing to this very important debate.

The final issue he raised is one which I think deserves to be elaborated on. In western Canada several organizations are thinking about alternative justice systems. There seems to be a reluctance on the part of the federal government to get involved in a debate on this issue. Yet we all know that tribal councils, provincial organizations and individual bands are seeking ways of increasing their participation rate and their control over these systems. In Manitoba the Aboriginal Justice Committee had a very important two-day conference on this issue, and Alberta is considering it in the course of its own investigations.

Perhaps the member from Regina could further contribute to the debate by elaborating on the need for alternative justice systems to be more responsive to the native communities that we find particularly in western Canada.

Mr. de Jong: Mr. Speaker, yes, indeed, I agree. When we talk about a justice system, we should also talk about the need for more law enforcement officers of native ancestry. We need people of native ancestry to be judges

and members of tribunals. We need Indian lawyers as well.

If, indeed, our system of justice is to meet the needs of the native community, then these things must be in place. Without them there will be discrimination and racism, either overt or not. Policemen and judges, because of their upbringing and their attitudes, may unconsciously be racist or prejudiced since they do not very often understand the forces involved in a native's life.

When I returned to Saskatchewan in the 1970s and worked in the office of the Minister of Social Services, there was an attempt by young natives in Regina to have a young native police force. The official establishment, the police department and the welfare agencies were quick to denounce this. Yet it had some merit.

They were proposing that when, for example, Indian people went on a binge, instead of picking them up and throwing them in jail they would exercise wisdom and just gently take them home. That, to me, was wisdom. That was dealing with a problem in a wise way, rather than the way the white society deals with them. That is to say, when they find people who are inebriated on the streets they throw them in the paddy wagon and throw them in the cell.

Mr. Althouse: If they are Indian.

Mr. de Jong: That is right, if they are Indians

There are other, more wise ways of dealing with these questions. They should come from the Indian community. I thank the hon. member for his question.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. member for Victoria. He also has 10 minutes of debate plus five minutes for questions and comments .

Mr. John Brewin (Victoria): Mr. Speaker, I am pleased to rise to participate in this important debate. To refresh the House as to the motion before it, it states:

> That this House reaffirm that all persons are equal under the law and demand that the government (1) promote this fundamental human right for Canada's aboriginal peoples, (2) ensure that our system of justice is more responsive and suitable, (3) pursue alternative aboriginal justice initiatives, and (4) in cases of jurisdictional conflict, that the Government of Canada, in consultation with aboriginal leaders, ensure the protection of the life, liberty, and security of aboriginal people who are entitled to the status of Canadian citizens.

This motion permits us to deal with a number of issues which are current in Canada, starting with the issue that is current today, that is, the tragedy at the Mohawk reserve on the Canadian border, where the Canadian government, having had representations from the responsible elected and traditional leaders, has failed to respond. As a result, a tragedy has ensued.

It is important that the Canadian government respond to the leadership of the native people, not only in that community but the national leadership who have joined in that request, and deal promptly and fairly with our citizens on the reserve in that tragedy.

The motion takes us beyond that particular issue into what is really one of the searing injustices in this country. That is an injustice which has its roots in our history. I found that for me it was a gradual process of beginning to understand the depths and nature of the tragedy which we see about us today.

Before the Europeans came aboriginal people had a society which, while it was different in different parts of the continent, was generally marked by cohesion, by political stability, by a spirituality and cultural integration with the community and with the environment that we would all be pleased to have today in North America.

The impact of European intervention in North America has proven to be a disaster for most aboriginal people. Lisa Hobbs Birnie, who has written a very recently published book on the life and work of the National Parole Board, and others have described the relationship today as that of a Third World country living in the midst of one of the richest societies that history has ever known.

It is that first point which needs to be understood by non-aboriginal Canadians. That is to say that the culture and life that was here when the Europeans first arrived still remains in some fashion, and has not been absorbed within the European culture. Thus, daily, we have a clash of cultures, of worlds, that are radically different. This is caught up and described in the statistics. Perhaps we non-aboriginal people need statistics to help us understand the nature of the problem.

Not only are living standards dramatically lower across this country for aboriginal people, but social problems that arise because of a constant bombardment of their culture create a horror story in many areas of the native community. That horror story gets itself acted out in a

clash with our system of justice. That clash shows up at every point in the administration of justice. It shows up in tensions with the police, as we have seen in the evidence that has come out of the Manitoba inquiry, and in the Donald Marshall case where a police force which is essentially non-aboriginal and which struggles to try to understand the culture that it is dealing with is usually at a complete disadvantage.

Many of our police officers—the RCMP as an institution, and the provincial police forces—have learned more than most of us about the tragedies and how to deal with them. But one of the great problems is that their voices are not being listened to in the council of government.

• (1640)

Since I have been here, and I have been critic for the Solicitor General's department, I have been visited with more reports than one could imagine on this subject. I have in my hand a report on policing for aboriginal Canadians, and the RCMP role in it.

My friend from Regina outlined a number of steps that could be taken. Each page has a series of specific recommendations which the police would like to bring into practice across this country which would only begin to deal with part of the problem.

I also have a copy of the report of the Indian Policing Policy Review Task Force which involved a number of departments. Again, it contains a series of recommendations which would begin to deal with the difficulties of policing at that level, on the reserves and in our cities.

The next level of the system is the courts. There are very few lawyers who are native. There are very few lawyers who have even had any education or training in native or aboriginal culture. There are very few judges who have had such training.

When I was with the Attorney General's Department in British Columbia, we had a program which taught us a few things. We picked up something from Saskatchewan which I thought was very helpful and instructive. It is something that the lawyers, prosecutors and judges were put through. They put native people on the bench and in the role of lawyers. They put the lawyers and judges in the role of the accused and the witnesses. They conducted the whole trial in Cree, with translators. That gave to those people a sense of the dramatic cultural impact, confusion and difficulty that the court system has.

Again, the Marshall Inquiry has underlined how that kind of injustice can happen in this country. Donald Marshall is just one case in thousands upon thousands in the history of this country.

I now come to corrections. Again, we have a task force report on corrections which has everybody's name on it. It has page after page after page of recommendations. It came out in 1988.

We had the chairman of the Parole Board in front of the justice committee today. We had the commissioner of corrections there last week. The week before that we had the Solicitor General. However, these recommendations are being implemented at a snail's pace.

It is little wonder that native people and aboriginal people are now beginning to be angry at what is happening. Perhaps out of some of that anger will finally come a hearing for the native people.

This report reveals that aboriginal Canadians take longer to get parole than non-aboriginal Canadians. Their sentences are longer. Even when they do get parole they have spent more time in jail. Their recidivism rate is higher.

That is because our system has failed. We have almost no programs in our jails for drug addiction or for alcohol treatment. We have almost no programs sensitive to the cultural traditions of native people.

Last week we received a report on creating choices. It is a report of the Task Force on Federally Sentenced Women. If you think it is bad in this country for a federally sentenced woman, try being a federally sentenced native woman in our institutions.

This report speaks with the cry of pain that native women feel. Because we have only one institution in this country for women, they are dragged from their homes in the north, or in Saskatchewan or Alberta to a jail in Kingston, Ontario—a jail that was built in 1933 and condemned in 1938.

That is what we have been inflicting native women with. They commit suicide as a result. Just a few months ago there was yet another suicide in the prison for women.

Yet, when we ask the commissioner of corrections and the Solicitor General for a clear commitment to the principles of this report we get: "Well, we will have to think about it. We will have to look at our options. We have got all these other priorities. We will have to see".

The time has come for this House to speak with one voice on this issue. The voice must be that the time has come for action for our native people in the area of administrative justice. They need not look to this House further than today for a clear statement that we stand with them in their plea for justice.

We want to hear from the next speaker, the Minister for Indian Affairs and Northern Development, that this government is finally going to deal in a clear, honest and upfront way with the cries of native people. We want to hear that, finally, the injustices that have been perpetrated on those people for too long are going to come to an end, and that we will together begin to address the issues that these reports speak of and that we in this House want dealt with now.

Mr. Stan Wilbee (Delta): Mr. Speaker, I would like to congratulate my colleague on his excellent dissertation on the effects of the justice system on our native population. I certainly think he has emphasized some of its shortcomings.

I do have a question for him. I was a little concerned with some of the things he was talking about when he spoke of sending in the RCMP to the Akwesasne reserve on a unilateral basis.

I wish to read from an article which appeared in this morning's *The Globe and Mail*. It quotes the Governor of New York State.

Again, we need to recognize that this is a multiple level problem with the Canadian and U.S. governments, as well as the governments of Quebec, Ontario and New York State. All of these jurisdictions are involved.

The article states that the Governor of New York State said: "there is a time for the use of military force" but only after all other avenues leading toward a peaceful resolution have been explored.

Mr. Clark is quoted as having said:

> Much of the source of the problem in our view is on the U.S. side. Our expectation is that the Americans on a state and a national level will also play an effective role to resolve this as quickly and peacefully as possible.

My question is this. Is it not rather dangerous to send our police into a situation where they could be fired at with impunity across the border? If we started to fire back at them, or if they were in any way to protect themselves, we would soon have an international incident.

I believe this is a time for all levels of government to get together and to come to a solution. It is not the time for Canada to take action unilaterally, as was indicated.

Mr. Brewin: Mr. Speaker, I thank my friend for the question.

We have an international incident on our hands right now. The issue is not whether the RCMP should go in unilaterally. The responsible elected and traditional leaders of the reserve have asked that the RCMP come in and bring law and order to that situation.

Frankly, we can all slip into something of a cultural response which says that only when the local police force is asked will we regard that as a legitimate request. But here we have the legitimate authority on the reserve asking that the RCMP come in.

I may add as well that the key issue is which police force is going to be responsible for dealing with it. I do not purport to advocate that the RCMP should necessarily take any particular steps to bring about law and order. That is a decision that it should make. But the RCMP should be put clearly in charge of the situation, and it should be up to it to decide what are the appropriate police steps to be taken.

A native person today described the situation to me like this. Quebec police are on the Quebec part of the reserve. Ontario police on the Ontario part of the reserve. The RCMP is going around in boats.

It seems to me that the time has come for our national police force to move into that situation and use its judgment as to the best policing methods.

Let me conclude by trading editorials. My friend referred to *The Globe and Mail* of Toronto. *The Ottawa Sun*, a journal of great wisdom and perception on

occasions—perhaps rare—had it right on this occasion. It stated today in an editorial headed "Native land":

> North American Indians often accuse the white establishment of meddling in their affairs—except when the interference is really needed.
>
> On the basis of the uproar on the Akwesasne Reserve, no doubt about it, the Indians are right.

It goes on to state that the trouble is that there are too many officials.

> So far the best most of them have been able to do is dither. Meanwhile, the 9,000 members of the reserve are, in effect, being held hostage by the Warriors Society based—in the reserve's New York sector.
>
> New York State officials keep saying controversy over the half dozen casinos is entirely a Mohawk problem. This is the coward's approach.
>
> The attitude enrages Canadian Indian leader George Erasmus who says there's no other group in either country that authorities would leave in such a predicament. He adds: "Canada has got to act".
>
> As Joe Clark said yesterday, the situation is "near anarchy".

The editorial concludes:

> He's right. We must act. Indeed, the Mounties and FBI owe it to the Mohawks to help maintain the peace on their reserve. If they wait until lives are lost, they will share the guilt for the deaths.

• (1650)

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I rise to speak to the motion currently before the House in the name of the hon. member for Winnipeg North Centre.

In doing so I know that there is a great sense of sadness, and certainly tremendous sympathy, for the family of the young Mohawk person who was this morning killed in a violent incident on the Akwesasne Reserve near Cornwall.

I want to begin by commending the hon. member for Winnipeg North Centre in his concern for the basic human rights of aboriginal peoples. The motion before us focuses on the importance of recognizing that all persons are equal under the law but, at the same time, the responsibility of this federal government and all institutions of Canada is to promote the fundamental human rights of Canada's aboriginal peoples.

The motion further focuses on the impact of our justice system on Canadian natives and calls for the government to ensure the protection, liberty and security of aboriginal people.

I want to assure the hon. member for Winnipeg North Centre and others present in this House that I share his concerns, as do all members of the House. I am personally committed to pursuing initiatives in each of the areas covered in the motion.

I rather regret the focus of the remarks by the previous speaker from Victoria who has just resumed his seat. They were all in a relatively negative vein and did not recognize the very significant progress that this government has achieved since 1984 in the resolution of important aboriginal questions and a move toward greater self-reliance, the completion of comprehensive agreements and specific claims and the improvements, although totally inadequate, but nonetheless significant, in the living conditions our native people experience in the various regions of Canada.

I am personally committed to making significant further progress in these areas in the footsteps of my three predecessors in this government since 1984.

I want to thank my colleague, the hon. Minister of State and member of Parliament for Lincoln, for her part in supporting this work and in working to these same objectives with myself, but in particular for her leadership over the past few days in regard to the Akwesasne situation while I was away in Igloolik in the Northwest Territories for an historic and widely celebrated conclusion of the largest land claim in Canada's history. I will return to that very important occasion in a few moments.

The hon. member for Lincoln should be commended for her efforts over the past few days, as should the hon. member for Glengarry—Prescott—Russell and other members from surrounding constituencies. They should be commended for the leadership they have taken and for the calm and wise approach in judgment that they are bringing to bear as we seek a solution, now even more important, to this serious problem in the Akwesasne community.

My colleague from Lincoln yesterday visited the government training centre in Cornwall and spoke with many of the representatives of the Akwesasne community who voluntarily left the St. Regis community site on the south side of the St. Lawrence River, a small portion of peninsula on the south side of the St. Lawrence River,

but nonetheless a part of Canada. These people left their community with the assistance of Canadian enforcement agencies to seek shelter from the violence that has been brought into their midst by an element emanating from the New York State side of the reservation which is associated with the pro-gambling forces in that area.

It has been a trying time for all concerned, particularly so in light of today's disturbing events. It is not merely I, but all members of the House and all Canadians who are disturbed and saddened by the events and the death this morning of a young man.

As I said earlier, we want to extend our sympathies and those of all Canadians to the family and friends of this young Mohawk man who lost his life as a result of the senseless violence that continues there.

I have been informed by the RCMP, who learned earlier today from the Quebec provincial police force that 22-year old Matthew Pyke died at 10.57 a.m. this morning in hospital as a result of gunshot wounds. Mr. Pyke, who is a resident of Hogansburg, New York, was shot on the Canadian side, in Quebec at Snye, and was taken to a hospital in upstate New York for treatment where we ultimately expired.

I am dismayed that the situation has deteriorated to this point. One death is one death too many. I am sure all members of the House knowing how potentially explosive this issue is would want the government and all agencies to react with good judgment so as to ensure there will be no further loss of life and that we contain the violence and seek a mediated peaceful process for reversing this unfortunate situation.

The event of this morning only reinforces the urgency for all jurisdictions to recognize their obligation to maintain peace and order in the Akwesasne community. I will return to Akwesasne a little later.

On another front I would like to report that we have been making outstanding progress in the area of land claims to the benefit of our aboriginal people these past several months. In fact I would hazard to suggest that in the last two months we have had more significant progress in magnitude and in impact in resolving long remaining injustices and a lack of proper legal settlement than we have seen in this entire century.

I have just returned in the early hours this morning from Igloolik, which is way up on the western limb of Hudson Bay in the Northwest Territories, near Baffin Island. I was there for the historic signing of the agreement in principle with the Tungavik Federation of the Nunavut, an agreement which has been sought now for some 14 years and on which significant progress has only been possible as a result of a new comprehensive claims policy introduced by my colleague, the now Minister of National Defence, in 1987.

It was a matter of great pride and personal satisfaction for me to be associated with this settlement. I want to personally compliment the Tungavik Federation of the Nunavut and its president for the vision, confidence, trust and generosity that they have shown toward Canada in agreeing to this settlement.

The settlement provides the 17,000 Inuit living in the region with $580 million in compensation funding over the next 15 years and confirms their title to over 350,000 square kilometres of land, an area of about half the size of Saskatchewan, and a portion of the larger Inuit domain of the eastern Arctic which represents some 20 per cent of the total land area of Canada.

It was a longstanding commitment I had made to be in Igloolik to mark this momentous occasion and to sign the agreement on behalf of the Government of Canada.

On a personal note, I want to thank the members of the community of Igloolik for their outstanding hospitality, for the warmth of the reception shown by the young children in the local school in Igloolik, the trappers who took me out on the ice floe, the hunters, the families, and especially the elders.

The hospitality and the warmth of that visit reflected joy in the face of very significant hardships and the optimism of the Inuit people of the eastern Arctic with respect to the ultimate successful implementation of this agreement and the benefits it will bring to their very remote, but very beautiful, part of Canada.

• (1700)

I say warmth although I must add there was no central heating in the igloo, which I had the privilege of helping to construct after midnight two nights ago and in which I slept during my stay. It was a marvellous experience that few Canadians will ever experience. I consider it a great privilege to have spent a short night sleeping in an igloo. *Igloovigik* they call it, an ice house.

Among the many achievements of this landmark document are the provisions for wildlife harvesting rights, participation in the management of lands and resources, and a variety of economic and cultural rights and benefits. All of these measures will ensure greater self-sufficiency for the Inuit people throughout central and eastern Arctic. This agreement will also enhance the climate in the Northwest Territories for economic and political development by removing legal uncertainty on land and resource use in the eastern Northwest Territories.

The land claims settlement will not in itself create Nunavut, which is the aspired homeland for the Inuit people, but commits the territorial government and Tungavik Federation of Nunavut to set up a mechanism for achieving a northern consensus on the division of the Northwest Territories outside the claims process. This agreement once again confirms the commitment of this government to settling comprehensive claims, to improving aboriginal relations with the federal government and building stronger native and northern economies.

I mentioned earlier that progress on this and other major claims has been achieved because of the comprehensive claims policy of this government, introduced a few years ago, and also the policy on northern political and economic development, again introduced by my predecessor who is now the Minister of National Defence. He and other ministers who preceded me laid the groundwork for the completion of historic agreements.

The agreement in principle was signed yesterday. The final agreement was signed with the Dene-Métis people three weeks ago in Yellowknife, which I had the privilege of presiding over, and four weeks ago, the historic settlement of the comprehensive claim with the Council of Yukon Indians was signed right here on Parliament Hill in Ottawa. That too, will bring great benefit to the people of Yukon.

All across northern Canada, from the sixtieth latitude upward we now have settlements in the form of final agreements or in the most recent case, an agreement in principle with the TFN.

In the case of the Yukon settlement, approximately 7,000 Indians of Yukon are provided with over 41,000 square kilometres of land or approximately 8.6 per cent of all the land area of Yukon. They will receive $248 million in financial compensation and a share of the Yukon government's resource revenues when and if they are transferred to the territory, that is the jurisdiction over resource development. The agreement provides guaranteed participation in the management of lands, resources, fish and wildlife.

A little further to the east in the western Northwest Territories we have concluded an agreement. It was a difficult conclusion but one which was celebrated with great joy in Yellowknife three weeks ago. This agreement involves the two peoples, the Dene Indian communities of the western Arctic and the Métis who live in corresponding communities together. The Dene and the Métis work together under the leadership of Mr. Bill Erasmus and Mr. Garry Bohnet with the territorial government and the federal government to affect a successful conclusion to the Dene-Métis final agreement.

Under that agreement, the Dene and Métis peoples will receive ownership of over 180,000 kilometres of land, $500 million in compensation and a share of any future resource royalties which the government of the Northwest Territories will collect in the settlement area. As members of this House know, there are vast resources, particularly hydrocarbon resources—the Minister of Energy, Mines and Resources is in the House today—and very exciting and major developments afoot which, as a result of this agreement, will now be made possible.

The Dene and Métis will play a very fundamental role in the management and decision-making of the companies of that resource development. They will share in significant ways in the economic benefits that flow therefrom. Her e again there will be majority participation by the Dene and Métis people on the management

boards. They will ensure preferential hunting and fishing rights, and exclusive trapping rights for the Dene and Métis people in the region.

These comprehensive claims agreements continue a process that has been evolving for more than two centuries. These settlements are meant to clarify the rights of aboriginal and non-aboriginal peoples with respect to land and resources north of sixty. It is a way for aboriginal people to obtain lasting protection for their traditional land based interests while, at the same time, securing rights and benefits which will assist them into the next century. We will have a legal framework in which their participation in Canada and the unique recognition of their rights will be guaranteed for all time.

Above all, the settlement of these comprehensive claims lays the groundwork for new partnerships between aboriginal peoples and their non-aboriginal neighbours. Such partnerships will benefit all of Canadian society but bring special benefit to the people of the north. The traditional aboriginal respect for and understanding of the environment and its natural dynamics will be just one of the many valuable contributions they will make to Canada's future.

I want to indicate a sense of confidence in Canada and a willingness to agree, reflecting those traditional Canadian values of generosity, tolerance and respect for one another in our differences. We certainly want to see a successful conclusion to the Meech Lake Accord. It will be the conclusion of the Meech Lake Accord which allows us to move into the next and very important stage of constitutional definition involving aboriginal peoples, the stages involving the more thorough and legally binding definition of aboriginal rights and the development of structures and institutions of self-government for the aboriginal peoples of Canada.

It is the agreements which we have just concluded, and the successful conclusion of Meech Lake which will allow us to make further major and important steps toward the full delivery on the rights of native people, to have those aboriginal rights not merely named in a Constitution but become a living reality that all Canadians can better understand.

On another topic, as hon. members are aware, a number of inquiries have been held or are currently under way into the issue of aboriginal justice. A common thread that appears to be emerging from these inquiries is the necessity to adapt the justice system to the particular needs of Indian people. Such an approach has been proposed numerous times during the initial phases of a major review undertaken by my department called the Land Revenues and Trust Review.

This review is designed to find improved mechanisms to ensure the self-administration of lands, the revenues and the rights to property by native people through a means of self-administration. When this review is completed, we believe it will constitute an important step toward effective self-government, both in treaty settlement areas and in the areas which are the beneficiaries of the new comprehensive claims and further settlements to come, especially in the province of British Columbia.

Many people believe that the only acceptable solution to the administration of justice on our reserves is to establish a justice system that recognizes the significant cultural differences that exist between Indian and non-Indian communities. Each of these alternatives, from increased use of justices of the peace to a separate Indian justice system, are being fully explored with Indian communities. In this way, we will also ensure that any changes that are made reflect the concerns of Indian communities.

If I had more time, I would like to say more about the work we are making in the new aboriginal program known as CADES, jointly with several other departments, to assist entrepreneurial development and economic opportunity for our native communities across Canada. I could speak of the implementation of Bill C-31 which brought justice to many native women who had been denied their rights to full and equal partnership and participation in the status native communities of Canada and the study that we are doing and will report to Parliament on regarding how that implementation program is going.

• (1710)

In conclusion, I would like to say once again that the issue of the last few days, particularly at Akwesasne, and the opportunity to debate aboriginal issues in this House in the context of aboriginal rights and justice, I think has allowed us to reflect on the tremendous amount of work that must yet be done and the awesome responsibility we have. We are all concerned about the violence and tension that has compelled some 600 Mohawk Canadian people to evacuate the village of St. Regis. My department is assisting in the adjustment and the needs of these people. We want to see them returned quickly and

in an orderly fashion to their communities where we will see peace restored.

I urge all members of the House to contribute to the wisdom and to help by suggestions of good advice as to how we might bring the parties together and involve the State of New York and the United States federal government in bringing an end to the lawlessness which has been the trigger for this very unfortunate situation.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I would like to start by asking the minister, perhaps as a symbolic gesture, but one which I hope he will join with me over the next few hours and days, to call upon the community of Akwesasne for calm, for understanding and compassion in what would obviously be very difficult times for them. As darkness draws near today we know what darkness has done to the days at Akwesasne. I invite the minister to join me in this symbolic gesture of wishing and perhaps praying that the people of Akwesasne will do what is right and will ensure that there is no further violence because, obviously, further violence will not contribute to peace.

Having said that, Mr. Speaker, perhaps I could ask another question of the minister and he may want to respond to everything at once. First of all, I would like to offer perhaps a bit of a tribute to my colleagues, the member for Stormont—Dundas and the member for Beauharnois—Salaberry for their assistance, as always. Akwesasne, on the Canadian side, is partially in the riding of the member for Beauharnois—Salaberry and partially in mine. Everything that happens in Akwesasne has an effect on the riding of Stormont—Dundas as well. It is, of course, because it is right there beside it and the people of Stormont—Dundas are helping out.

I invite the minister to join me in thanking the good people of Stormont—Dundas for their assistance with the residents of Akwesasne. I want to ask the minister if he could give us any further information that he might have received this afternoon on the tragic incident of today and as well, on any progress of those meetings that his officials are having with the United States government. In particular, I ask him quite bluntly if his official has convinced Governor Mario Cuomo and his group that this problem will not go away and that this business of pretending that it is an internal Mohawk issue and that it is for Mohawks to deal with themselves is simply an inadequate proposition for anyone to entertain. There has to be a co-ordinated approach to disarm the community of Akwesasne because there is no room in Canada or anywhere else for machine guns, AK-47s, M-16 rifles, grenades and all that other kind of thing that we see there.

Mr. Siddon: Mr. Speaker, I certainly appreciate the concerned and heartfelt spirit in which the hon. member for Glengarry—Prescott—Russell has addressed this tragic issue.

I too, want to compliment the hon. member for Beauharnois—Salaberry and the hon. member for Stormont—Dundas whose constituents are particularly affected by this matter. The hon. member for Beauharnois—Salaberry is, in particular, the member in whose riding this tragic accident occurred in Snye, in the province of Quebec.

Responding to the member's initial plea, it is for all members of Parliament to, in any way we can, have influence and to show sensitivity and wisdom, and to take recourse to our faith, because in the final analysis the resolution of this issue will only be found in the hearts of men and women who are prepared to make peace. We would all wish for a peaceful night and a peaceful few days as government officials work with the leadership of the Akwesasne Mohawk peoples to find a lasting resolution to this problem.

The problem is complicated by geographical matters relating to a border which is difficult to enforce, and jurisdictions of one state and two provincial governments. It has to do with some criminal activities which are not just restricted to organized gambling. The majority membership which elects the councils, both the Mohawk Council of Akwesasne and the St. Regis Tribal Council, as well as the traditional chiefs have tried to find a solution. In their view on behalf of the democratically elected majority, that solution would see an end to organized gambling.

The Governor of New York state, who spoke out yesterday on this issue, offered the observation that all parties should lay down their arms before some kind of mediated process could be commenced. He offered a suggestion involving one of his officials to some form of mediated process. I think it is time now to appeal to the leadership, particularly the Governor of New York, Governor Cuomo, and officials of the U.S. State Department, to work with us realizing the serious and immedi-

ate dangers of the situation, to realize that there are emotions.

There are factors relating to certain economic disparity, but also certain economic interests which go with the activities which have led to the arming of the element of the Mohawk Warriors Society, which is creating such a terrible and tragic situation. Whether realistic or not, I think it is important that another attempt be made to seek an accommodation in which the Mohawk Warriors Society is challenged to sit down, work this matter out and dispense with the violence and the use of sophisticated armaments which are merely taking their toll on people's emotions and peace of mind, and their right to security.

Just to conclude by responding to the hon. member's question, I have not had a thorough briefing as a result of the meeting that has gone on all day in the U.S. Embassy across the street between officials of the U.S. Bureau of Indian Affairs and my department, under the auspices of the Department of the Secretary of State for External Affairs and the U.S. State Department.

I have been told, however, that the discussions have focused on the means of gaining the agreement of the American authorities, that the solution to the Akwesasne situation requires the co-operation of all levels of government, including the American and New York state governments, and that American officials have now accepted this position, their need to be part of the solution. Furthermore, agreement was reached that an urgent meeting be arranged involving representatives of all five jurisdictions, that is; Canada, Quebec, Ontario, the U.S.A. and the state of New York. This further urgent meeting is being set up under the leadership of the federal government. More information on this meeting will be provided as soon as possible. One might ask what good are more and more meetings but meetings are the right and proper course toward peaceful settlement.

• (1720)

Earlier today, as I indicated during Question Period, the Canadian Embassy in Washington, Ambassador Burney I believe, approached the American State Department with a strong message of urgency, expressing our lack of satisfaction with the progress made today, and in light of this morning's incident, the need for much more immediate, sensitive and effective action.

The Acting Speaker (Mr. Paproski): I will entertain one more question. The hon. member for Winnipeg North Centre, a very short comment please.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I would like to thank the minister for joining in on this debate. I do have one reservation with his comments in that I did not think he addressed the wider issue that we are facing right now. That is, that although we do have a particular crisis on one reserve, perhaps it points to the inadequacy of our judicial system relating to a lot of the native communities across this country, both urban and rural.

I wonder if the minister would like to indicate to the House to what extent that his department is willing to take the initiative in co-ordinating the Solicitor General's department and the Minister of Justice and his own department for seeing that alternative systems are developed across this country to respond more meaningfully to the problems being faced by Canadian aboriginal communities.

Mr. Siddon: Mr. Speaker, I think the hon. member for Winnipeg North Centre is speaking in the broader general spirit of his resolution so I will not link that to the Akwesasne situation which he understands is very unique and demands a very unique and special form of response.

As I tried to indicate in my broader remarks, we are seriously moving toward the development of effective forms of self- government in terms of the way in which funds are managed by native bands and by the way in which schools and services are administered and also, the way in which lands, revenues and property exchanges are administered by native leadership. We are also moving seriously in the area of forms of independent native justice systems and we have made a great deal of progress in supporting native policing.

All of this is in response to the realization by our aboriginal people that the treaties signed in the past century and in the early part of this century have not worked. We have created, through the dependency on the federal government and the provisions of the Indian Act, a situation in which they are not able to control and decide their own destiny. As a result of that we are trying to respect their desire for autonomy. That is why we do not move outside police forces or other agencies in until

we are invited to. We realize the systems in place are imperfect and I call on all members of Parliament to help us to improve them.

In the spirit of giving effective recognition to the concept of self-government we really want to respect the homelands and the communities of our aboriginal people. It is only in the face of a tragic incident like that which we are experiencing today that we realize the inadequacies of a system which has not yet had enough opportunity to demonstrate its weaknesses. As we discover the weaknesses and as we better learn to co-ordinate the efforts of government agencies in support of the needs of aboriginal people, I am sure we are going to do a much better job. We have a long way to go yet and in that sense I respect the spirit of the motion that the hon. member has put forward today.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I am pleased to speak in the House today on the motion put before us by my hon. colleague, the member for Winnipeg North Centre. I would like to add my words of condolences to the Pyke family and to the entire Akwesasne family who I am sure share in the loss of a brother.

The riding of Stormont—Dundas holds these people close at heart. We have been neighbours for hundreds of years and up until the last election they were members of the constituency of Stormont—Dundas. Certainly they are now ably represented by my colleague, the hon. member for Glengarry—Prescott—Russell. However, our ties still run very deep and very long.

It seems odd, however, that we in 1990 are debating in the House of Commons of Canada a motion which in part calls upon this House to reaffirm that all persons are equal under the law. Sadly, when it comes to the aboriginal peoples of Canada this fundamental legal right is sometimes seen, at best, as questionable and, at worst, horribly denied.

One can find several references in our country's history where aboriginal peoples have clearly not been afforded the security of Canadian law which other Canadian citizens enjoy. Moreover, there have been numerous injustices made in the past which illustrate the lack of resources and opportunities that native Canadians have within our legal system. The Donald Marshall case in Nova Scotia is but one sad example.

Canadians are concerned about the state of affairs regarding our native population. We all believe in equality and we all value the rights and privileges we have. Our standard of living in Canada is one which is seen by others as being quite decent. However, when we examine the avenues open to native Canadians we see a different society, one which is lacking in the comparative opportunities of Canadian life.

Indeed, beyond the inequality in law there is a range of problems concerning aboriginal Canadians. In terms of social conditions, post-secondary education, health matters, economic opportunities, constitutional and other political rights, the aboriginal peoples of Canada have not been on the same level as most Canadians.

We also have to realize of course that if aboriginal peoples are denied the full measure of human rights and justice it should not be too surprising to find these additional inequalities in native life.

The government has dragged its feet for some time on the issue of establishing an aboriginal justice system. The government appears to be uninterested in creating this justice system. It has virtually ignored the desire of aboriginal peoples across Canada to attain self-government. This is hard to accept given that several judicial inquiries into the treatment of aboriginal peoples have submitted reports calling for such a system to be implemented.

I cannot understand the reasoning behind the government's reluctance to grant native Canadians an aboriginal justice system. My colleague, the member for Kenora—Rainy River, represents a riding which has some 46 native communities. He has personally witnessed the success of aboriginal programs and services in a manner far more beneficial and productive than government-run programs.

Surely the government must understand that the operation of a justice system by aboriginal peoples is a natural extension and that they would be able to operate it in an effective manner.

The government is once again, in my estimation, out of touch with the views of the Canadian people. As far back as April, 1989, a telephone research survey asked the question: "Should the native people have the right to law

enforcement, trial and punishment for offences committed, on native lands?" Nationally, 73 per cent of respondents said yes; in Ontario 89 per cent agreed likewise. In every province a majority of respondents were in favour of an aboriginal justice system.

Still the government of Canada has failed to move ahead and reflect the wishes of Canadians on this matter.

In a letter dated November 20, 1989, to the Minister of Indian Affairs and Northern Development Grand Chief, Michael Mitchell of the Mohawk Council of Akwesasne clearly outlined the need for an aboriginal justice system. In discussing the problems on the Akwesasne reserve, Chief Mitchell wrote: "In times of potential violence it is human nature for people to look for signs of continued stability and progress from their leaders. Therefore, it is crucial for the Mohawk Council to demonstrate this stability and progress. In order to do this we need the co-operation of the federal and provincial governments".

• (1730)

Chief Mitchell was simply pointing out an obvious fact, that it is sensible and reasonable to suggest that aboriginal leaders are best able to understand what is required for their particular communities.

Chief Mitchell made this point very clear to the minister in a brief accompanying his letter. In referring to the Akwesasne judicial system, Chief Mitchell wrote: "As the governing body, the Mohawk Council is answerable to the Mohawk people of Akwesasne for all decisions which affect their daily lives". That being the case, I certainly believe that no aboriginal council within any native community would take their responsibilities to their people lightly.

Aboriginal leaders would not make legal decisions affecting their people on their own. Chief Mitchell writes that their council is constantly receiving advice from their people on how to handle local matters. However, when the council acts on these recommendations they find they are up against a brick wall with the Department of Indian Affairs and Northern Development.

According to Chief Mitchell, out of necessity and established procedure, an accepted law by his council is sent to Indian Affairs where it is usually rejected. The basis for this rejection is part of the over-all problem. In Chief Mitchell's assessment: "Government officials sitting at a desk far from Akwesasne cannot possibly know of the background information or circumstances prompting the passing of a law".

There are several circumstances for aboriginal leaders to invoke laws in their communities. It is impossible for bureaucrats who only look at the drafted law to see the reasons for such a law or the conditions which exist in the community. According to Chief Mitchell, these laws are usually rejected without consultation with his council. In the past four years, Chief Mitchell indicates that 14 council laws have been disallowed by the federal government. Most of these had to do with protecting the community from illegal activities brought into the reserve from the outside. These rejections do not help the relationship between the aboriginal leaders and Indian Affairs.

We have another problem here and that concerns the antiquated Indian Act. In a brief sent to all members of Parliament in April, the Native Women's Association of Canada states that the Act's very title "evokes feelings and actions that have caused anguish, pain and suffering to Indian people for well over 200 years and it continues".

The association points out that while the rest of the country takes pride in its growth and prosperity, the original peoples of this land continue to suffer needlessly as a result of legislation which affects aspects of native life from birth to death.

In terms of justice, the Mohawk Council of Akwesasne believes the interpretation of the Indian Act is so narrow in scope that the laws passed for Akwesasne cannot be sanctioned by the federal government. In the opinion of Chief Mitchell, such a situation limits the legal capacity of the Mohawk Council to regulate activities within Akwesasne and is contradictory to the process of self-government. Most would also come to the conclusion that the Indian Act is as bad for self-government and aboriginal justice as it is for the protection of aboriginal human rights.

It is clear that an aboriginal justice system would alleviate a good portion of the problems caused to some degree by the injustices of the Indian Act. Unfortunately, the present government does not see this. It seems more content to express vocal concern about native self-government and the ever-pressing need for an

aboriginal justice system, but never seems to get around to implementing it.

Unfortunately, native Canadians continue to suffer. They are denied full access to human and legal rights and self-determination. The current state of native life in Canada does not present a vibrant, promising picture. Life on reserves is increasingly difficult. Native leaders and their councils are unable to adequately govern in their communities. They are restricted by an Indian Act which is badly in need of change while at the same time having to cope with a number of negative socio-economic issues.

It is also difficult to make do with the policies and programs thrown to them by a federal government which has no commitment and no vision for the future of aboriginal peoples.

I have no doubt at at all that the present crisis on the Akwesasne reserve may well have been avoided, if the Mohawk people on both sides of the border had the rights and opportunities as those afforded to most citizens in both countries.

It is important that this House reaffirm its support and commitment to aboriginal human rights and equality under the law. I know that members will indeed want to convey to our native population that they are willing to support a system of justice which is suited to their particular needs and aspirations. It is imperative, however, that the government start to show leadership in creating aboriginal justice initiatives and assist in the development of such a system in consultation with native leaders across the country. We have an opportunity to correct past wrongs and implement necessary changes which will create a better future for the aboriginal peoples of Canada.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I am pleased to rise and speak to this motion introduced by my colleague for Winnipeg North Centre which is the adjacent constituency to my riding of Winnipeg North. I thank my colleague from Stormont—Dundas for sharing his time with me.

The motion states:

> That this House reaffirm that all persons are equal under the law and demand that the government (1) promote this fundamental human right for Canada's aboriginal peoples, (2) ensure that our system of justice is more responsive and suitable, (3) pursue alternative aboriginal justice initiatives, and (4) in cases of jurisdictional conflict, that the Government of Canada, in consultation with aboriginal leaders, ensure the protection of the life, liberty, and security of aboriginal people who are entitled to the status of Canadian citizens.

This motion sends twin messages from Parliament to the government that the government reaffirm equality under the law and demand that this equality be fulfilled; that the law should recognize no class, colour, creed or origin when it treats citizens and that, moreover, the law should recognize the inherent dignity of all human beings.

This principle is embodied in our Charter of Rights and Freedoms. Why then do we have to reaffirm it in the motion of today? Because we recognize that there is a threat to, a weakness in and, in some instances, actual failure of our Canadian justice system.

The evidence for this failure has been alluded to by my colleagues who have spoken earlier: the Betty Osborne murder in The Pas, Manitoba, that went unsolved for more than a decade; the J.J. Harper killing in Winnipeg as a consequence of prejudgment by our police department; and the Donald Marshall wrongful imprisonment in Nova Scotia. All these injustices reflect the continuing struggle that native people continually face in our country.

We have all heard of or seen the conditions endured by the great majority of Canada's native people. Most reserves in isolated communities have experienced great difficulties in developing an economy capable of sustaining their growing populations. The results are tragic. We have witnessed for them high levels of unemployment, welfare, violence, suicide and alcoholism.

It appears that political self-determination and economic self-sufficiency for them are almost unreachable goals. We have to understand that aboriginal peoples want their culture, traditions and pride back.

The situation of the First Nations' people has been likened to that of blacks in South Africa. I do not think the analogy is accurate or fair. The fact, however, that it is made at all speaks volumes about this aspect of Canada's international profile.

Let me quote from a letter dated March 28, 1990 from Phil Fontaine of the Assembly of Manitoba Chiefs to the Commissioner of the Canadian Human Rights Commission: He stated:

> The Canadian Government is perceived internationally, as a strong advocate of Human Rights, as is the case with its high profile role in support of the Black struggle for independence in South Africa. It is often a source of financial support to Third World Countries. It speaks out against Human Rights abuse in other countries. Through these gestures, Canada has gained a strong international reputation as a staunch defender of human rights. This is in sharp contrast domestically with its relationship with First Nations people.

That is the assessment by the Assembly of Manitoba Chiefs.

Even the United Nations Human Rights Commission has examined the allegations of treaty violations in Canada. How can we respond to such a situation? One way is to re-examine certain aspects of these relations. For example, the Standing Committee on Aboriginal Affairs is just beginning a review of the government's comprehensive claims policy. Yet this review alone is not enough. This policy is only one aspect of the complex relationship between Canada and some native peoples. Many government services to native people are not even addressed by these claims; Métis and non-status Indians are not even addressed by that policy. There is considerable disillusion with the claims themselves. For example, the Cree of northern Quebec are arguing that the claim they negotiated should be declared null and void due to non-compliance by the federal government.

• (1740)

Let me quote from the 1988 report of the Commissioner of the Canadian Human Rights Commission. He said:

> Surely, one supposes, in a country like Canada, it is not possible that an entire group of people should, in the 1990s, be so remote from sharing in the benefits that others take for granted. Surely, with all the money and effort that are lavished on the problem, it ought to be amenable to solution. Once again, however, the unpleasant fact of the matter is that it has not been, and that it still shows only rudimentary signs of being resolved.

The time for piecemeal approaches to such a complex situation of the first peoples of our country has passed. In fact, when you look at the 1990 report, Unfinished Agenda for all Canadians in the 1990s, of the Standing Committee on Aboriginal Affairs, it has addressed 30 issues, from land claims to literacy.

The time has come for the Government of Canada to establish a national royal commission on aboriginal peoples, to consolidate all previous reports on this issue, to examine the remaining relevant issues on a broader perspective, and to offer realistic solutions—to correct the tragic and the continuing tragic situations for our aboriginal people.

About a year ago, I put on the Order Paper a resolution to this effect. Of course, it has not yet had a chance to be put forward for debate. I thought I should seize this opportunity to speak about the need to establish a royal commission on this issue. This has been echoed by the major media, like *The Globe and Mail,* in our country. This royal commission should examine all aspects of the relationship between the Government of Canada and the native peoples of this land. It should recognize the many strengths of native communities and successes of government policy as well as the weaknesses and failures. It should look to the future as well as acknowledge the past and, above all, it should hear the thoughts and aspirations of the native peoples themselves.

In 1987, on the occasion of the visit to Canada of His Holiness Pope Paul II, a headline in the *Toronto Star*, September 21, 1987, read: "Let Canada be a model to the world for the rights of native people", and he continued, "For a just and equitable degree of self-governing, with the land base and adequate resources necessary for the development of a viable economy for present and future generations". He called on Canada to ensure the basic aboriginal rights, including self-government.

My former leader, the Right Hon. John Turner, as quoted in the *Toronto Star* the following day stated:

> MPs should act on the Pope's message by amending the Meech Lake accord to include regularly scheduled constitutional conferences on native self-determination.
>
> "Aboriginal peoples cannot wait indefinitely".

The royal commission can serve as an instrument for national self re-examination, reconciliation and unity. It could serve as a tool for achieving consensus, to raise the profile of the issues to the Canadian consciousness and thereby achieve the desired changes. This royal commission may well serve as the milestone in the rebirth of native peoples in Canada, as a cornerstone of new relationships between the aboriginal and non-aboriginal peoples of our country.

In conclusion, I would like to quote briefly from the report of the Standing Committee of our Parliament in March this year, An Unfinished Agenda for all Canadians in the 1990s which stated:

The circle of Confederation will not be complete until the social, the economic and political marginalization of Canada's aboriginal people is reversed.

The report of the Canadian Human Rights Commission indicated that a national Royal commission could play a useful role in achieving consensus without being used as an excuse for delaying important practical developments.

In the years ahead, our success in forging a new association between the aboriginal and the non-aboriginal Canadians will be the prime nature of our commitment to equality and our skill in nation building and, at the very end, we can relive the message of the Universal Declaration of Human Rights of 200 years ago: "All human beings are born free and equal in dignity and rights". Let us make our native people equal with all Canadians.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, we have 15 minutes left. I therefore would like to ask the unanimous consent of the House for sharing my speaking time with my colleague here behind me, who would like to speak to the same subject. If you agree, I will take four or five minutes.

Some hon. members: Agreed.

Mr. Hudon: I want to thank the House for its understanding at this tragic moment.

First of all, I would like to join the entire community on the Akwesasne reserve in offering my sincere condolences to the family of Matthew Pyke who died this morning. When I say family, I am aware that on reserves, the meaning of the word family differs from my own because it also includes Grand Chief Mike Mitchell with whom I often had the honour and the privilege of working, and I realize how deeply affected they must be at this moment on the reserve.

Mr. Speaker, this morning's casualty occurred in my riding. I should explain that the Akwesasne Indian Reserve is divided into three parts: one part is in Quebec, in my riding; one part is in the riding of my colleague from Glengarry—Prescott—Russell, and the third part is in the United States. I cannot remain unmoved by these events, because I have often acted to defend the rights of people who asked for help on the reserve, and I think it is often brought home more strikingly when we have tragic events such as those occurring today.

From my riding of Beauharnois—Salaberry, if I want to visit people in the reserve that is located in my riding, I have to go through the United States and come back via Ontario to finally get there. Mr. Speaker, there are personal problems and physical problems on the reserve. There are physical problems that once solved could probably help us deal with the human problems, because considering what is happening along the border, we could probably have organized an effective patrol if we had a land link that would have allowed us to go directly from our side to the territory that is on the Canadian side of the border.

Mr. Speaker, at the end of March, I found it very moving—my colleague from Glengarry—Prescott—Russell was also invited but he could not attend that morning—when I went to St. Lawrence College in Cornwall where a program was launched in which the federal government invested about $600,000, which came from the budgets of the Department of Employment and Immigration and the Department of Indian Affairs and Northern Development. I am referring to the Mohawk Law and Security Program. I saw about thirty students who said they were ready to continue their education and were in fact taking courses in communications, defence, law, American law and Canadian law. I saw a chief, Mike Mitchell, and at the time it surprised me to see a chief who was broken, not morally, but a man who was getting a lot of threats and who told me that morning, in public: This may be my last public appearance as chief.

• (1750)

Fortunately, he changed his mind, but this man is now under terrific pressure and is receiving a lot of threats.

I think Chief Mike Mitchell, like Jean-Guy Hudon or anyone else in this House, has a right to want to live in peace and develop his community on the basis of principles he holds dear, principles that run very deep among the first inhabitants of this riding.

Do I have the right to intervene, Mr. Speaker? I certainly do. And I have that right because these are people from my riding, people whom I have never denied assistance, whom I have never turned down. Personally, I think this is a tragedy, and I would urge the departments to co-ordinate their operations and especially to show our U.S. neighbours that there are problems in this

respect and that we must find a solution. What is happening to Mike Mitchell, to the people in my community and to those in the riding of Glengarry—Prescott—Russell is probably due to the fact that government authorities cannot agree on what to do and are afraid to intervene.

The other day I had an unfortunate experience because people wanted to establish a nuclear waste site right near the Canada—U.S. border. I intervened, and people said: "You know, you don't put a nuclear waste site in a national park. But it isn't dangerous. You don't put it in a reserve. It isn't dangerous".

It's funny how careful people are when a reserve is concerned. when we should intervene, we are excessively prudent, and when a chief like Mike Mitchell asks for help, we may be in less of a hurry to do so because there is the human factor. And there are some very serious examples of this at work right now.

I strongly urge this government and this House to intervene as quickly as possible and explain to our neighbours to the south that any intervention should be co-ordinated, effective and respect the values dear to our friends living on the reserve, and ensure that these people will be able to live and prosper within their own territory.

Mr. Speaker, I yield immediately to my colleague who certainly has a few things to add on the subject.

[*English*]

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, I am happy to rise in the House today to speak to the motion of the hon. member for Winnipeg North Centre.

In the last few months that I have been in the House, I have had the privilege of serving on the justice committee and also on the aboriginal affairs committee. In view of what is happening in the last few months with respect to the justice inquiries that have been held, I think it is particularly timely today to be talking on this issue.

The fundamental freedoms of our aboriginal peoples, and other members of Canadian society, are protected by the Canadian Charter of Rights and Freedoms. The charter clearly identifies and guarantees basic human rights, and provides a means of redress to the courts should these rights be denied or infringed by governments.

Among the rights enshrined by the charter that may be considered of particular importance to our native peoples are the right to worship in a manner, place and time that one chooses, and the freedom to pursue activities and goals in association with others.

Another key protection enshrined in the charter is the right to be equal before and under the law and the right to the equal protection and equal benefit of the law without discrimination on any ground, including race, national or ethnic origin, and colour.

Moreover, the equality guarantee in the charter is expressly phrased so as not to preclude laws or programs designed to favour individuals or groups who may be at a disadvantage in society. Such laws or programs could, of course, include native people and numerous government programs are structured to provide affirmative action for aboriginal peoples.

The charter has also been successfully employed to protect the livelihood of native people who rely on hunting as a way of life. For example, in the *Chief* case, a mandatory five-year prohibition on possession of firearms for conviction of a weapons offence was held by the Yukon Territory Court of Appeal to be cruel and unusual punishment, contrary to the charter, in the case of aboriginal people. The court recognized that the effect of the mandatory prohibition on possession of firearms for an aboriginal person who relied on trapping could result in the deprivation of that person's livelihood and lifestyle. Accordingly, in light of the totally debilitating effect that the prescribed punishment would have had on the aboriginal accused, the court altered the sentence.

Mention must also be made of Section 25 of the Charter, which specifically protects aboriginal concerns. This section makes clear that no other provision of the Charter can be used in a way that will interfere with any special rights that the native people have now or may acquire.

For example, any new benefits aboriginal people may gain from a settlement of land claims would not run afoul of the general equality rights as set out in the Charter. As well, Section 35 of the Constitution Act 1982, states that the existing aboriginal and treaty rights of the aboriginal peoples of Canada are recognized and affirmed.

Both of these sections were possible only after very considerable work by aboriginal people like those of the Four Nations of Hobbema. These provisions, and others, were written into the Canadian Constitution specifically at their request and of other native organizations. Representatives of these groups argued forcibly for recognition that would help their people preserve their culture and identity, customs, traditions, languages and treaty rights.

Rights without any means of redress would be empty, so the Charter provides that any person whose rights or freedoms have been infringed or denied may obtain a remedy from the courts. The federal government, recognizing that without financial assistance, deserving individuals or groups may not be able to challenge federal legislation or practices in the courts, has established a special fund to assist litigation of important equality issues. The Court Challenges Program has a budget for litigation and legal research, plus administration funds over five years, and is administered by a private non-profit organization. To date native groups have benefited from this fund.

In summation, I think it should be clear that the Charter offers protection to aboriginal groups. These groups have used the Charter to challenge government policies and to enforce native rights. This is the way it should be. The Charter is a document that we, as Canadians, should be proud of. It reflects our heritage as a just society, as well as our continued respect for fundamental human values.

The Acting Speaker (Mr. Paproski): It being awfully close to 6 o'clock, it is my duty to inform the House that pursuant to Standing Order 81(17) proceedings on the motion have expired.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Paproski): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-15, an act to amend the Act of incorporation of Desjardins Mutual Life Assurance Company to which the concurrence of this House is desired.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

WOMEN'S CENTRES

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I rose in the House some time ago to protest the cuts affecting women's centres. I put a number of questions to the Secretary of State, and I am not very satisfied with the answers, because it seems that whenever we ask him why he cut subsidies for women's centres, he always says he increased the subsidies. Actually, it seems we have a communications problem and I will explain why.

First of all, we know that in some programs, money is always available for women to set up certain projects. We are not challenging the funding for various projects but the way women's centres are being attached by cutting core funding, in other words, money for ongoing activities. This is a very serious problem because when groups such as women's centres, consumer associations or any other non-profit association have ongoing activities and funding is cut for those activities, the government is actually controlling these organizations, Mr. Speaker.

Personally, as a former president of an association that was often obliged to ask the government for subsidies, I was often in a situation where governments said: Listen, we can't give you the money for hydro and rent and basic needs, but we can give you all kinds of subsidies for small projects. All kinds of small projects. Meaning that we, the government, can give you the money for any project we are willing to approve.

I imagine that in the case of a women's centre, this has a destabilizing and even destructive impact because you spend all your time trying to get subsidies for various projects. This means you have keep justifying the fact that you need money. You are leading a hand-to-mouth existence. And the people you hire will only be there for the duration of the project. Imagine, Mr. Speaker, if you, as Speaker of the House, were given a contract for three months. Would you have agreed to be here for just three months? Of course not. I think that, like any reasonable

and intelligent person, you would have sought longer-term employment. At least, I think so.

That is the problem with the cuts to the women's centres. It is demoralizing for the women's centres, as for any group, and it forces them to always ask the governments for money; they are even forced to offer programs or projects that suit the governments but that may not be so suitable for the community or be in tune with its needs.

So, Mr. Speaker, I hope that this time the government will understand me. It will also understand, I hope, why the women are fighting. The 75 women's centres across the country, and especially the 39 women's centres in Quebec, are not just protesting the cuts. It is not just that.

Please do not say that you gave a lot of money yesterday. Yes, you gave some, you made a lot of money available to them for projects. But I am not talking about that.

I am talking about core funding, the grants for ongoing activities.

And now I will ask you to be a little more sensitive to our requests. I am new here in the House of Commons and I always believed that people on both sides, in the government and the opposition, were reasonable.

So I appeal to your reasonableness and if you want proof that what I am saying to you is correct, before concluding, Mr. Speaker, I will quote you an excerpt from a letter by someone who sits for the government, who is even a minister of the government. I am talking about the hon. Minister for International Trade, that great defender of women's rights, that great friend of the member for Hamilton East. He himself said—he even wrote a letter—

[*English*]

I want to say what the minister wrote in English. It is very short, Mr. Speaker, and I will conclude with that because I find it tells the government, from a member of the government, what the position is.

The minister wrote to the Secretary of State complaining about the decision to cut funding for 75 women's centres across the country and asked that every possible effort be made to keep the centres open. He said specifically: "I can assure you that the women of Newfoundland and Labrador will suffer desperately without these centres and since the cut to core funding for women's centres in Newfoundland is only $240,000 and the national figure amounts to only $1.6 million, it is hard to believe that money is the real issue here".

• (1805)

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I want to thank the hon. member for his question. I believe it was on April 10 that he put his question to the Secretary of State. At that time he was referring mainly to the women's centres in his own home province so the answer that I have prepared is more specifically related to his home province than to the total question on which he has elaborated tonight.

In his own home province the Quebec provincial government has committed to improving the social welfare of women in the province and that government must be commended for the action that it has taken.

The budget for women's centres of the provincial Ministry of Health and Social Affairs was more than $800,000 in 1988–89. Last August the Quebec government increased the funding for women's centres to $2.7 million by the end of the 1992 fiscal year.

This is a fine example of a provincial government taking on its responsibilities. That is the point. The core funding for the centres are a provincial responsibility and that is why the minister is working with regard to the project funding. This is a fine example of how a provincial government can work with the federal government during a time of economic restraint to sustain programs that are vital to the health of our country.

The government is well aware of the excellent work carried out in women's centres. Along with the support provided by the Quebec government and other provincial governments through their funding for services, the Department of the Secretary of State is making project funding available to centres that previously had received core funding to carry out education activities.

Project funding can be used to address issues such as family violence, pornography, sexual assault, employment equity and other concerns. Along with provincial funding, the Secretary of State has assured women's

centres that they will be eligible for funding for the administrative costs related to the project activities.

So, Mr. Speaker, the Government of Quebec has recognized the absolute necessity of having strong women's centres in that province. I hasten to add that Manitoba has also shown provincial leadership in this area. There are four women's centres in that province and each receives approximately $115,000 of annual funding from the provincial government.

This government is living up to its fiscal responsibilities, not only for Canadians today but for the future generations as well. Financial responsibility does not mean that essential services must disappear. With the co-operation of the provinces all of us, as a nation, can work together to ensure that women's centres are able to continue to play their important role in Canadian society.

THE ENVIRONMENT

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, on March 26 I asked the Minister of the Environment to explain why this government has failed to involve itself in the fight to eradicate aquatic milfoil weed in the interior lakes of southern British Columbia. I did not get a very satisfactory answer at that point, Mr. Speaker, and that is why I am back here at this time.

The Eurasian milfoil weed, scientifically called Myriphyuum Spicatum, is a very rapidly growing aquatic weed species that has infested many of the lakes and rivers in the interior of the province of B.C. It is because of its growth rate and its ability to actually regenerate when it has been fragmented, for example, by boat propellers, that it has proliferated to such an extent and has choked off many recreational areas and now, in fact, threatens to invade many of our salmon bearing streams and rivers.

I will read a very brief excerpt from the October 1989 edition of the *British Columbia Report*. It says:

> The province's latest battle with milfoil has forced its small army of milfoil combatants into retreat and has prompted local governments in the Shuswap area to admit defeat. All this despite a—campaign to stomp out the proliferate water weed. Two regional districts and the provincial government were involved in the fight, but even their best efforts weren't enough to root out the spindly foe.

• (1810)

This uncontrolled growth of the milfoil weed poses a serious environmental threat as well as a serious economic threat. The Okanagan and the Shuswap Lakes watersheds rely very heavily on clean lakes for their tourism industry. The overgrowth of this particular weed is already costing the local tourist industry in the Okanagan and Shuswap area valuable business as tourists go elsewhere rather than deal with the clogged propellers and the beaches that have been strewn with rotting weeds.

In 1985 tourists brought over $287 million to the Okanagan region and spent about 80 per cent of their time on the beaches. Recent market studies have shown that a growing number of these tourists are in fact going elsewhere, having become very concerned because of the deteriorating quality of the lakes.

Swimming, boating and fishing certainly are not the only things that are affected by the proliferation of this weed. The thick weed carpet acts as a filter and traps garbage and sediment which settles on the lake bottom and interferes with normal water flows and the ecological balance of those lakes.

Despite their years of effort, the North Okanagan Regional District, as well as the Columbia Shuswap Regional District, have been fighting essentially a losing battle with this nuisance weed.

At this point nature has, at least for now, conquered man in the Shuswap and she holds the upper hand in the South Okanagan where the weed has virtually taken over the Okanagan River. It has threatened Kokanee salmon and is running rampant in Vaseaux Lake near Oliver where it first appeared in 1981.

In Shuswap Lake to the north there is great concern that commercial houseboats may in fact be carrying the weed into nearby lakes and rivers. In Woods Lake, Kalamalka Lake, Skaha Lake and Okanagan Lake, all throughout the interior, thousands of hectares of waterfront have been spoiled with the growth of this weed.

In 1989 a survey of Shuswap Lake showed a 20 per cent increase in the weed growth from the previous year, even with the control efforts, with new infestations appearing on Seymour Arm and right in the main body of Shuswap Lake.

The regional districts and the provincial governments are losing ground in the milfoil battle. The Columbia–Shuswap Regional District has recently passed a resolution requesting federal assistance in this battle to control this aquatic weed species. I think I can safely say that the resolution has the full support of the North Okanagan Regional District as well as the Okanagan Basin Water Water Board and local councils.

The fact of the matter is that the time has come for federal involvement in this environmental and economic crisis. The 1987 federal water policy, I might remind you, commits this government to a co-operative approach to water management problems with the various provinces. The policy emphasizes an integrated approach to water management that can only be construed as a direct involvement in such environmental issues in concert with the provinces and the regions of those provinces.

The Minister of the Environment, while expressing interest in the milfoil problem when I brought it up on March 26, was characteristically vague in what action he would take. In talking to the minister after the debate in the Chamber here, he indicated that after his *Green Plan* was announced he would like his advisers to meet with me on that very issue. Well that was over a month ago and I am still waiting.

I would like to ask the minister's representative who is going to be answering shortly whether the Minister of the Environment at this time, or in the immediate future, will meet with myself and my colleagues, the hon. member for Kamloops and the hon. member for Okanagan—Similkameen—Merritt. All three of our ridings are directly involved with this very critical issue. Would he meet with us as a delegation to discuss specifically what actions he and his ministry are prepared to take regarding this very, very serious environmental concern that essentially affects the entire interior portion of British Columbia?

• (1815)

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I wish to thank the hon. member opposite for clearly stating the problem in our British Columbia lake system. I am quite familiar with it because it is my home province as well.

He quite correctly stated that we did put a water policy out in 1987 which stated that the federal government would co-operate with provincial governments in co-operative management of water resources. He knows, too, that under the Constitution Act, the provinces exercise direct control over many aspects of water management. As the overview to the federal water policy states, the federal government intends to work in conjunction with the provinces and territories to encourage the provision of safe and sufficient water supplies for Canadians in areas of federal and shared responsibilities.

The federal government policy incorporates two main goals. The first is to protect and enhance the quality of the water resource. This means that the federal government will work to anticipate and prevent contamination of Canadian water supplies by harmful substances introduced through pollution and to encourage the restoration of waters that are already contaminated. We are realizing this goal by developing and, as in the case of the British Columbia, implementing such programs as joint water monitoring agreements. The second goal is to promote the wise and efficient management and use of water, meaning that new ground rules must be established that respect the value of water to all sectors of society and to the environment.

The infestation of which the member opposite speaks in the interior of British Columbia lakes by Eurasian water milfoil as with lakes in other parts of Canada, has been of concern since the early 1970s. The federal government has devoted considerable time, effort and money to try and solve the problems generated by this weed. Its propogation is not brought about by increased water pollution or the deterioration of water quality, but by the aggressive way it grows once it enters a lake. The problems caused by this weed are primarily related to recreation and tourism, to aesthetics and to access to swimming beaches, rather than to the quality of the water itself.

The responsibility for actual weed control operations rests with provincial and local governments. There are existing cost-shared programs for aquatic weed control between the B.C. Ministry of Environment and local authorities such as the Columbia-Shuswap Regional District and the Okanagan Basin Water Board. This mechanism—

Mr. MacWilliam: They don't have enough money to do the job.

Mr. Belsher: I hear the hon. member. Everybody wants more money and the federal government is not what you would call flush with money.

I think that what is taking place has been working quite well as far as the money goes. Relief is provided at the highest priority for the recreational areas.

The federal government continues to play an important role in both liaison and technology transfer with the province of British Columbia by its participation on the federal-provincial B.C. Aquatic Weed Advisory Committee. As well as Environment Canada, the Department of Fisheries and Oceans is also active on that committee. The Department of Fisheries and Oceans has funded and undertaken research studies in Cultus Lake, B.C.—which is in my riding—to assess the value of Eurasian milfoil as habitat for juvenile fish. By contrast, the effect that infestations of this weed have on fish habitat is not yet known.

The infestation in the lakes of the interior of British Columbia by Eurasian milfoil, as with the lakes in other parts of Canada, has been of real concern and continues to be of real concern.

PEARSON INTERNATIONAL AIRPORT

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Thank you, Mr. Speaker, for giving me this opportunity this afternoon to seek clarification from the Minister of Transport with respect to a question I asked him some weeks ago in this House.

On April 2 I questioned the minister about the inefficient and unsafe conditions at Pearson International Airport. More specifically, asked about the relationship between the statements he had made in several instances to this House and how they did not confirm the report of the Canadian Aviation Safety Board that was issued on the date that the Canadian Aviation Safety Board was disbanded.

The question was not a difficult one. It dealt with several of those recommendations. I asked the minister specifically what he intended to do with respect to the 48 recommendations that were made by the Canadian Aviation Safety Board that date and what type of timeframe the minister was proposing with respect to their implementation. I asked that mainly because some of the recommendations of the very thorough, in depth study made by the safety board required some immediate implementation.

• (1820)

What I received was, in essence, almost no reply. I would almost think that the minister did not not want to reply because of the very unsafe and inefficient conditions that exist at Pearson International Airport at the present time.

The questions I asked were confirmed by the report to which I have been referring. Simply, why was there, in the year just ended, a 66 per cent increase in the number of near-misses in the southern Ontario airspace from the previous year? That is a pretty simple question. Why are we having more near-misses in the airspace around Pearson today than we had a year ago?

What is really happening at Pearson Airport with respect to the efficiency of that airport? Why is there such a slowdown in the operations and services they are providing?

More important, we have heard in this House on many instances reference to the air traffic controllers. Why is the morale among the air traffic controllers at Pearson International Airport so low? What is happening with those people in that position of such great responsibility? Why are they not more enthused about doing the job? Thank goodness they are dedicated people in that profession who have mainly the safety of the travelling public as their goal.

Why do different departments, airside and groundside, not appear to operate co-operatively and effectively in the administration of the Pearson Airport?

The Speaker of the House and I were both in Pearson airport. He was coming from Vancouver and I was coming from Thunder Bay and we were both sitting in the airport waiting for the plane to Ottawa when there was a security breach and one of the alarms went off. The question I asked, which has still not been answered, and which I will continue to ask in this House, is why it took 15 and a half minutes for the RCMP to respond to that breach of security at Canada's largest airport. When they did respond they could not give any logical reason, and I explored it in full detail, why it took them 15 and a half minutes to respond.

I am trying to ask the Minister of Transport, through you Mr. Speaker and through the House, for the benefit of all Canadians who use our airspaces, why these conditions are allowed to exist at Pearson International Airport.

In essence those are the questions I would like my friend across to answer this afternoon. I know that we are under some time restraints. If I could get some assurance that those questions would be answered this afternoon, I would be prepared to sit down right now and rely on his answers. Let me conclude and give him the opportunity to answer those questions. I hope he will take all of the time that is still available to me and the time that is available to him to respond.

I am not catching him off guard. My hon. friend was at a transport committee meeting with me just a short while ago and I told him I was going to use some comparisons as I was asking this question this afternoon. As he said to the previous speaker, he is from the Province of British Columbia. We know that the airport in Vancouver is perhaps one of the most efficient airports in the whole of Canada and it faces much the same problems as Pearson faces on a day-to-day basis. It has almost as many flights. In fact, propeller driven aircraft and helicopters at Vancouver airport far exceed those at Pearson.

For the benefit of all Canadians who use these airports, why do we not adopt at Pearson the good management philosophies that we are using at the Vancouver airport in his province? That is fairly simple and it would solve the problems that we are experiencing at Pearson.

With that, Mr. Speaker, I thank you for the opportunity of asking those questions.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. gentleman opposite makes it all sound so very simple. I wish it were. However, the member opposite has a continuing interest in what is happening at Pearson airport because he has a vital interest in air safety and air traffic in Ontario.

The report that he talked about, the Canadian Aviation Safety Board's report on air traffic, which did make 48 recommendations for improving the Canadian system, should not be interpreted as 48 deficiencies within the system at Lester B. Pearson International Airport.

As mentioned, the recommendations made by the CASB pertain to the entire system, some of which are related to technology now in the research and development stage, while others require international agreement and participation in the area providing control over the high seas.

The CASB recommendations can be implemented quickly. Indeed, the majority already have been. I can assure the hon. member that all recommendations have been given the utmost attention.

As part of that, as an ongoing procedure, the minister did put together a task force on aviation matters. In fact, it was such an important matter that my colleague, the Minister of Transport, established a task force in order to seek the expertise of the private sector, the industry and the government. The aim of that task force was to ensure that we have the right resources and that they are used in the right way in order to meet the changing needs of the future.

Speaking more specifically of Toronto, as we all know, Toronto is our busiest airport in Canada. The air traffic controllers have a difficult job which they do well. As the member knows very well, we are working to improve the situation at Toronto. We have hired former American controllers. We have increased the number of training seats available. There has been a cap on airline movements per hour at Toronto which will not be removed until the minister is satisfied that traffic can be handled safely and efficiently.

I can assure the hon. member that Toronto is still being actively studied to make sure that it is able to fill its role in the airline and transportation industry of this country.

[*Translation*]

The Acting Speaker (Mr. Paproski): The motion that the House do now adjourn is deemed to have been adopted. The House therefore stands adjourned until 2 p.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 6.28 p.m.

HOUSE OF COMMONS

Wednesday, May 2, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

MENTAL HEALTH WEEK

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, four and a half million Canadians suffer from emotional disorders that exact great personal and financial grief. It is thus fitting that May 1 to 7 is designated National Mental Health Week to ensure that mental health remains a priority of every Canadian, indigenous and new.

New Canadians face additional risk factors insofar as threat to their mental health is concerned. Negative public attitudes, separation from family and community, inability to speak the language fluently, and difficulty in finding suitable employment are known causes of emotional distress among the newcomers to Canada. Indeed, mental health involves every aspect of our lives.

This year's focus, mental health in the workplace, reinforces a universal belief that a sound mind is needed for efficiency in the working environment. The Canadian Medical Association is to be commended for holding week-long events to increase national awareness of mental health.

National leadership is challenged once more to control the forces that increase risk of mental ill health, to eliminate the stigma attached to it and to increase resources for treatment approaches.

I ask the Department of Health and Welfare to accept the challenge. I ask the government to make mental health one of its continuing priorities. A sound mind and a sound body make every Canadian prepared to meet the challenges of our country today and tomorrow.

[*Translation*]

ADMAIL

Mr. Louis Plamondon (Richelieu): Mr. Speaker, most of Quebec's regional weeklies are distributed free of charge and depend on advertising to make up their costs.

Outside major urban centres, they reach nearly three-quarters of the population. By carrying flyers, they can afford to set aside more space for local news that is not picked up by the larger media.

By creating Admail, the Canada Post Corporation is taking a slice of the market and threatening the very survival of the weekly press in Quebec. Furthermore, the Corporation is abusing its privileges, thus the consumer and business.

At a time when our government is trying to create a French news channel that stresses local news, it would hardly be appropriate to undermine another channel for local news that is also directed mainly to Francophones across Canada.

In concluding, I want to ask the minister to demand the dismantling of Admail.

* * *

[*English*]

FISHERIES

Mr. Peter L. McCreath (South Shore): Mr. Speaker, the 1990 groundfish plan introduced a cap on the participation of fishing vessels from west of Halifax in the 4VSW fishery. This has caused considerable hardship to many fishermen, particularly those from Halifax, Lunenburg and Queens Counties.

With the beginning of the second trimester and with the Haché recommendations not yet in place, I urge the Minister of Fisheries and Oceans to immediately lift the cap and allow boats from southern Nova Scotia to participate fully in their historic fishing grounds.

S. O. 31

POVERTY

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, in Dartmouth, Nova Scotia, a spokesperson for the police force last weekend stated that people on social assistance should be forced to practice birth control because their "limited genetic pool" results in welfare breeding welfare.

From one end of this country to the other, Canadians living in poverty are under attack.

From opinion leaders and authority figures we hear that it is the poor who are to blame for their poverty. We hear that crime, drug and alcohol abuse, and family violence are the fault of the poor. Now we are hearing that to be poor means that you are to be denied the comfort, the support and the love of a family.

To be poor means to be stripped of your dignity and treated differently. It means to be treated by some Orwellian notion of population control.

[*Translation*]

Yesterday in Montreal, 3,500 people demonstrated against poverty. At Point St. Charles and Saint-Henri, nearly one-third of the population lives in poverty. Unfortunately, this kind of situation is spreading across the country.

[*English*]

These towns are at Third World levels. We need action from this government and we need it now.

* * *

• (1410)

[*Translation*]

HYDRO-QUEBEC

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my attention was drawn to an article: "GST reduces Hydro's expenses, but consumers will not benefit", that appeared today in *La Presse*.

According to several of accounting experts, Hydro-Quebec deliberately neglected to subtract from its projections the cost reduction that will take place next year when the federal sales tax is abolished.

In its draft development plan, Hydro-Quebec established its cost projections as though there would be no federal tax reform next year. Furthermore, Hydro-Quebec neglected to inform consumers of the amount it will save in federal tax.

Mr. Speaker, although when the new tax becomes effective, the old tax will automatically disappear, it seems like Hydro-Quebec residential customers will have to pay both the old and new tax.

* * *

ALCAN

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, at their shareholders' meeting, Alcan management again said no to Jonquière about installing electrostatic precipitators for the Soderberg cell rooms.

Mr. Speaker, I fail to understand why Alcan is treating the community of Jonquière like this. How can they close the Soderberg cell rooms, bring in bulldozers and make a nice lawn, without having any plans for a replacement project for Jonquière?

Building new factories in Laterrière, Alma and possibly Shawinigan is all very well, but what are you doing for Jonquière?

Mr. Speaker, let me direct a few words to these authorities. I am sorry but it is your responsibility to provide a replacement factory or some substantial project for the Jonquière area.

You are supposed to make the decisions, but it makes no sense to invest all around Jonquière, and ignore Jonquière itself! As a result, property values in this town will go down substantially and many jobs will be lost.

Through me, the people of Jonquière ask you to revise your investment plan to include Jonquière.

* * *

[*English*]

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I ask the House to reflect for a moment on the words of the member from Lisgar—Marquette who, during a supply debate on his own motion in 1984, called upon the government of the day to resist the downward adjustment of initial payments for western grain.

The member, now Minister of Grains and Oilseeds, was incensed in 1984, stating: "I see no reason why the government should not have shown a little bit of faith in Canadian agriculture. It could have said we are going to guarantee that prices are the same as they were last year".

What was that decline in initial payments that so incensed the member? Let me quote again his own words: "We see grain prices reduced substantially—on a percentage basis 5 per cent or 6 per cent. That is significant".

Yet yesterday the same member announced initial payments for grain dropping 18 per cent for spring wheat, 16 per cent for Durum wheat and 26 per cent for malting barley. These are decreases of about $25 per tonne from last year, decreases of $35 per tonne from 1984, decreases that spell disaster for Canadian grain farmers.

This government's policies are destroying Canadian agriculture. This government is kissing off the Canadian family farm.

* * *

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, the government announced yesterday that the initial price for wheat this year would drop by $30 per tonne to $135. This is one of the lowest prices for wheat in history in real dollar terms, almost approaching the values of the 1930s.

On Monday of this week the Minister of Agriculture increased the Farm Credit Corporation lending rate to almost 15 per cent interest per annum. How does the Canadian government expect Canadian farmers to survive when American farmers will be receiving almost 50 per cent more for their wheat this year and be guaranteed that price at the time of planting?

This Tory government guarantees our farmers nothing, only more debt and higher interest rates. Surely it is almost criminal to be increasing the Farm Credit Corporation interest rate to 15 per cent while cutting the price of wheat by almost 20 per cent.

I call on the government to roll back these high interest rates on Farm Credit Corporation mortgages.

CORPORATE TAXATION

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the nominees for the corporate welfare bum of the week did not pay any federal income taxes in 1988.

The first nominee is Algoma Steel which had tax-free profits of $80 million.

Edper Enterprises, with profits of $52 million, is the second nominee.

The third nominee is Hemlo Gold Mines.

The envelope, please.

The winner is Hemlo Gold Mines, which really struck it rich in 1988, getting a $2.7 million tax credit on profits of $43 million. This golden performance earns Hemlo Gold Mines the title of corporate welfare bum of the week.

* * *

BILL C-21

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, training and adjustment programs were a major part of what the government promised Canadians during the last federal election. The government has proposed it through the Labour Force Development Strategy and Bill C-21. This House approved it as long ago as November 6 of last year.

Canadian workers need such help. They expect such help. They await such help.

More money for apprenticeship level training, more for co-op education and more for older workers and many others—$800 million all told is ready to go to meet the needs of workers across the country.

I urge all hon. members, particularly those across the way, to do their utmost to persuade the Senate to see the light and pass Bill C-21.

ORAL QUESTION PERIOD

[*English*]

INDIAN AFFAIRS

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is for the Solicitor General.

Last night, after the tragic deaths of two young Mohawk men near Snye, Quebec, the police forces of the United States and Canada finally entered the Akwesasne Reserve where they are now on patrol.

Does the Solicitor General have a firm commitment from the federal government of the United States, the government of the State of New York, the two provincial governments, and from his own government that the police forces will remain on patrol on the Akwesasne Reserve until law and order is restored on a truly permanent basis?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as the hon. member indicated, and as all hon. members in the House know, last night there was a co-ordinated effort by all police forces involved to enter Akwesasne in order to ensure peace and order, and also to continue the investigation by the *Sûreté du Québec* and the New York police force of the two homicides.

As I indicated yesterday, we were looking for a co-ordinated effort. A co-ordinated effort took place, and a co-ordinated effort will continue to take place.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I think there is still a question in the minds of many people as to why this effort on the part of the police forces did not take place until after the tragic deaths in question. However, I want to move on to another point.

We have all seen on television the extent of military type weaponry in circulation on the reserve. Will the Solicitor General tell us what is being done to eliminate this type of weaponry from the reserve? Surely there is no place for weapons of this nature in a free, peaceful and democratic community.

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, if my hon. colleague is referring to military equipment, I indicated in a statement earlier today that I have asked the military for some equipment and engineering support. That has been provided at my request.

With respect to other armament to which the hon. member may also be referring, the police forces, as I have indicated, are on the reserve as police officers and obviously will be administering the laws of Canada and the laws of the various provinces.

• (1420)

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Obviously, Mr. Speaker, there is no place for a machine gun, for example, in a peaceful community. Since the Akwesasne reserve is located on American as well as Canadian territory, and part of the Canadian territory is in Quebec and part in Ontario, what is the government doing in this emergency to find a long-term solution whereby all the people of Akwesasne could live in peace and dignity and really unafraid?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker as my colleague the Solicitor General has reported, the short-term objective of the joint action last evening was to secure peace and order and to restore a sense of calm to the Akwesasne community on both sides of the border and in both provinces.

As part of the search for a long-term and permanent solution to the problem, the Department of Indian Affairs and Northern Development is leading a meeting of the five jurisdictions tomorrow morning in Montreal. This is part of ongoing discussions which have occurred among those jurisdictions in some form for several months now.

This is in particular to search for a lasting and democratically achieved solution acceptable to, and with the guidance of, the Mohawk leadership within the communities.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, let me first offer my condolences as local member of Parliament to the family of Wilbur Edwards, the second victim of the sorry violence in Akwesasne.

I would like to ask the Minister of Indian Affairs and Northern Development whether he can assure this House that help will continue to be given to the Mohawk families who have now sought refuge in Cornwall, Ontario, and that this assistance will continue until they can return home in safety, without fear of further attacks?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Of course, Mr. Speaker, the government and all members of this House share the member's sense of grief and sympathy. We extend to the families of the two unfortunate victims our condolences in these tragic circumstances.

We are aware of the high level of tension and anxiety of the residents who have left their community and are temporarily housed in Cornwall at the government training institute.

Our officials have been on site continuously from the time that evacuation occurred last weekend and senior officials of the Department of Indian Affairs and Northern Development are providing assistance and counsel where required.

We are remaining in contact with the elected and traditional leadership of the community of Akwesasne.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to thank the minister. Perhaps I could turn to the Solicitor General and ask him a question in relation to what was asked by the hon. Leader of the Opposition a few moments ago.

Can he provide us with some information now as to whether or not his department and U.S. authorities are utilizing a co-ordinated effort, not just to parole the reserve but to remove the unauthorized, illegal heavy weaponry that is on the Akwesasne reserve such as machine guns, rifles, hand grenades and all those other unacceptable objects which are there and which are obviously killing people?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as I indicated a little earlier, the effort that was made was a co-ordinated effort by all police forces to go on Akwesasne in order to ensure peace and order, and obviously the application of the respective laws.

[*Translation*]

Mr. John F. Brewin (Victoria): Mr. Speaker, my question is for the Solicitor General. We are glad to hear that the Quebec Police Force is in St. Regis, on the Akwesasne reserve, and that order has been restored on the reserve for the time being.

Mr. Speaker, my question is the following: Can the government assure the House and the residents of the reserve that the police will remain on the reserve as long as their services are required by the authorities of the reserve?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Obviously, Mr. Speaker, that is the same question in French as the one that was asked in English a few minutes ago. As I said a few minutes ago, and as I said yesterday, we were seeking joint action by all the police forces concerned, and it is as a result of joint action that the police forces went to the Akwesasne reserve to restore law and order. Of course, this concerted effort will continue.

[*English*]

Mr. John Brewin (Victoria): Mr. Speaker, there have been persistent reports over some period of time which suggest an involvement of U.S. organized crime with the gambling facilities and casinos operated by the Warrior Society on the reserve.

Can the minister tell the House whether the RCMP has confirmed or is in a position to confirm those reports and that it is that involvement which is the long-term cause of the violence that is happening on the reserve?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, considering that the operation of the activities to which my hon. colleague is referring are occurring in United States territory, I think it would be inappropriate for me to comment.

Mr. John Brewin (Victoria): Mr. Speaker, my supplementary question is for the Minister of Indian Affairs and Northern Development. He referred to a meeting which is to take place tomorrow involving the various government authorities. The long-term solution here, as he indicated, would ultimately go to the local leadership of the reserve.

Will the national native leadership and the elected native leadership from the reserve be invited to participate at the beginning of this process of seeking a long-term solution and, in particular, will they be invited to the meeting tomorrow?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I would like to point out to the hon. member for Victoria and other members of the House that the wishes of the elected and traditional leadership have been taken into account and respected throughout the piece now for many weeks prior to the unfortunate events of the last couple of days.

Their input will continue to be sought on a regular and daily basis.

My officials are in continuing contact with the presidents of the two tribal councils. I cannot commit that they will be at a meeting of government officials tomorrow morning, but after the officials of the five jurisdictions, that is, the two provinces, the State of New York, the U.S. State Department and the Bureau of Indian Affairs, as well as our department, have met, there will certainly be immediate and ongoing discussions with the leadership of the Mohawk Akwesasne Tribal Council and the St. Regis Tribal Council.

* * *

AGRICULTURE

Mr. John Harvard (Winnipeg St. James): I have a question for the Minister of State for Grains and Oilseeds. This government has slashed agricultural support programs with a vengeance. The Canadian family farm is under siege. In the past year or so this government has announced drastic cuts in crop insurance, grain and flour, grain and crop advance payments, dairy exports and the Canadian Dairy Commission, just to name a few, for a total in cuts of about $400 million.

Yesterday we got the shocking news of a dramatic drop in the initial wheat prices. Farmers are stunned. How does the minister responsible for grains expect farmers to stay on the land if this persists? How much more does he think farmers can take?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, the hon. member should know that while it is not good news, and we readily admit that and I know that myself as a farmer, the initial payments we announced yesterday for barley are actually increased over a year ago. They are down from what they are presently because we adjusted them during the year.

I would point out to him that these are initial payments set three months before the beginning of the selling of the crop which we have not even seeded, let alone harvested. Bearing that in mind, we are making sure that we are setting initial payments at a level when we can fully anticipate a final payment.

Having said that, the hon.member should also know that the projections in farm income fully took into account these kinds of numbers. We had circulated to farmers right across the country our anticipation of these kind of prices back in the early part of March.

So, if the hon. member is surprised today, he should not be because this is information that has been readily available to the farm community for almost two months.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I do not think the minister has been listening to what farmers are saying today. They are expressing deep, deep shock.

I want to remind members of this House what this minister said before he was in government, way back in April 1984. This is what he told the House:

> I see no reason why the government should not have shown a little bit of faith in Canadian agriculture. It could have said we are going to guarantee that prices are the same as they were last year— We see grain prices reduced substantially—on a percentage basis 5 per cent or 6 per cent.

• (1430)

That is what the minister said six years ago. Why did the minister announce these initial payments yesterday that amount to a drop of 18 per cent? Does this indicate that the minister no longer has faith in Canadian agriculture?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, above all I think farmers expect this government to be honest and straightforward with them and this is exactly what we have done in letting them know what we anticipate final realized prices to be.

If he wants to quote from farmers let me quote from a farmer from the province he and I both come from, from Oak River, Manitoba, who says: "I do not think anyone should get too excited—" and he is referring to the prices I announced yesterday. "I don't ever remember the initial price as staying at the same level as the current price," said Tom Smart of Oak River.

So if he wants to talk about farmers, they understand what is going on. They understand the kind of support that this government has provided. We have stood by the Canadian Wheat Board and kept them selling in a deficit position as compared to the party he supports which took us right out of the world market in the LIP in the early

1970s and saw our exports drop by over 50 per cent from one year to the next. We have not done that.

We stood by our farmers in the past in the international market where we have kept them selling. We have stood by them in international discussions as far as GATT is concerned and we are going to make some progress. We have stood by farmers in the past, we are doing it today, and we are going to do it in the future.

* * *

GOODS AND SERVICES TAX

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my question is directed to the Minister of Finance. Yesterday, Mr. David Dodge, the senior Assistant Deputy Minister of Finance said: "Nobody believes that the goods and services tax will add only 1.25 per cent to inflation". The Assistant Deputy Minister also said: "The GST is going to contribute to a much tougher labour relations climate".

Why is the minister persisting with a tax that even his own officials admit will lead to a tougher labour relations climate?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think that my hon. friend should read the whole of the quote rather than just the part she is referring to. The point Mr. Dodge was making to a Canadian Press organization and the people in attendance was that he thought it would be helpful if they would encourage a greater understanding of the 1.25 per cent cost of living increase.

Mr. Dodge went on to point out that there were people on one side who were feeling that the price increase would be greater than 1.25 per cent. He also made the point that there were people in the business community who felt they would not be able to hold their prices, and that was going to contribute to the more difficult labour negotiation environment this year. I think that is a balanced approach he is taking which he hopes will be presented through the media to the general public as well.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, is the minister saying we should not worry about the GST's impact on inflation? I think the experts disagree. Maureen Farrow, chief economist with Coopers & Lybrand said yesterday: "I don't trust the business sector not to mark up or round up prices. That has been the temptation in every other jurisdiction that has gone to a value-added tax".

So I ask the minister why he will not admit today that benefits will not necessarily be passed on to consumers. Why will he not admit that it will increase the cost of living for all Canadians and dramatically fuel inflation?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the statements by the hon. member are just the things that Mr. Dodge was referring to when he was talking about the misinformation that is conveyed by people who should be taking a more responsible point of view, such as the hon. member.

I have never said we should not worry about this. I said we should be concerned about the inflationary impact and that is why it is important for people to understand that it is very important for businesses to pass on those savings. Just yesterday Richard Sharpe, the chairman of Sears Canada, made the statement that he was pledging on behalf of his organization—one of the largest retailing organizations in the country—to pass on to consumers any tax savings related to the GST. We heard that same thing from other large organizations like General Motors, Ford, and Dupont. I think if other members of the business community get behind the same sentiment and tell their customers that they are going to pass on these savings, then there will be no grounds for the statement that has just been made by my hon. friend.

* * *

AGRICULTURE

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, my question is directed to the Minister of Agriculture. Yesterday, farmers received one more piece of bad news with the announcement of the Canadian Wheat Board initial prices. They are down substantially.

This announcement comes on the heels of increases to farm credit interest rates which are, for the first time, above the Bank of Canada prime rate. It comes at a time when the Economic Council of Canada has already announced that farm income will drop this year by as much as 87 per cent. It also comes at a time when the government is sitting on $500 million which it won't

release despite the fact that many farmers are being denied loans for seeding.

Given this situation, what incentive is there for farmers to even plant a crop this year?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, let me say again that the initial payments that we announced yesterday for barley actually increased from over a year ago. It went from $85 to $90 a tonne which is about a 6 per cent increase. Unfortunately, hard red spring prices went down about 12 per cent, not 18 per cent.

Let me say this very slowly. We have got to be honest with farmers and we don't want to alarm them any more than they are. All of the prices—

Some hon. members: Oh, oh!

Mr. Mayer: I don't hear a farmer over there yelling, Mr. Speaker—

Some hon. members: Hear, hear!

Mr. Mayer: All of the income projections that were put out last November were based on the prices that I announced yesterday. We sent out price information to every farmer in the country indicating that these were the kind of prices that could be expected. Having said that, we are having ongoing discussions with the provinces that are concerned about income. We had a meeting with our Minister of Agriculture and two ministers from the provincial government and myself on Sunday. There are ongoing discussions with the province of Saskatchewan and Alberta and Quebec and Ontario. Those discussions are under way with regard to how they best use the $500 million that the hon. member refers to.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, what rural Canada needs is not rhetoric but stability. My supplementary question is to the Minister of Agriculture.

While the minister is playing ping-pong with Grant Devine, farmers are not able to get seed money to put their crop in the ground. All the while the minister is sitting on his $500 million. Why doesn't the minister get off his seat, get up in the House and make a commitment to the Canadian farmers that he is going to help them put in their crop this year.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, that is precisely what this government did. It did it back on March 30. The $500 million is there, as my colleague, the Minister of State for Grains and Oilseeds, indicated. We had a meeting with Manitoba on Sunday. I talked to the Minister of Agriculture as late as this morning.

The discussions are going on with Ontario. There have been discussions with Alberta. All we are trying to do is to co-operate with the provinces and try to design a program that would be effective and that would serve the needs of the farmers to help them get their crops in. We are there and we are asking the provinces to get on board.

* * *

THE ENVIRONMENT

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, my question is directed to the Minister of the Environment. Yesterday, Ontario introduced guidelines to address the immediate need for action on the dreaded zebra mussel which is infecting the Great Lakes.

Ontario is asking all fishermen to transport live fish in well water or treated water. Fishing equipment is to be sterilized with chlorine or be sun dried. Boaters are to remove mussels from the hulls of their boats before transporting the boats to inland lakes to try and contain the infestation.

Will the minister follow the lead shown by Ontario and do four things; first, allocate funds today for research and control? Second, instruct all users of the Great Lakes and the St. Lawrence Seaway to respect the Ontario guidelines. Third, join with Ontario to strengthen these guidelines and, fourth, to advise our American friends of what we are doing with respect to zebra mussels and ask them to join us in this crusade.

• (1440)

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, while we appreciate what Ontario is doing, we have not waited for the province to act. The Department of the Environment has devoted money to research projects related to this very important phenomenon for which we have great concern. We know that the zebra mussels were introduced to our waters by foreign ships dumping water ballast after entering our ports. My

colleague, the Minister of Transport has issued guidelines to control this water dumping.

There are no less than 26 research projects ongoing on this matter. Steps are being taken to inform the public of the means that can be taken to limit the movement and proliferation of zebra mussels from one lake to another. We agree that Ontario is doing a good job on this problem and we are working very closely with the province.

We would like to commend the fact that Hydro Ontario is devoting $10 million a year in research funding for this project.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): A supplementary to the same minister. The voluntary guidelines introduced by the federal government only address ships in the St. Lawrence Seaway by asking them to change their ballast water on the high seas rather than in the seaway.

As of today all of Lake Erie and Lake St. Clair and half of Lake Ontario are totally infested with the zebra mussel. There were reports over the weekend that Lake Huron and Lake Superior now have the first indications of the terrible zebra mussel being there. Will the minister do something constructive today to stop the infestation in the Great Lakes, particularly Lakes Huron and Superior where the zebra mussel do not yet have a foothold?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, apart from what I have just said, my department is currently completing consultations for new legislation to control wild animal and plant transportation into Canada. This will be the way to stop the introduction of zebra mussels into Canada.

The main thing we must do is identify ways in which to fight proliferation in our waters. The research projects under way are directly related to that.

* * *

NATIONAL DEFENCE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, my question is for the Associate Minister of National Defence.

The Canadian Armed Forces have always served Canadians well on the premise that we tell them clearly what we want them to do and then give them the right tools to do the job.

The CF-18 aircraft has an air speed envelope that may be too high for some of our air sovereignty functions, especially drug interdiction operations. Will the minister tell us how the government can fulfil its aircraft drug interdiction role using the CF-18 without endangering the safety of our pilots, and whether it will need to secure other aircraft for this purpose?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as the hon. member may know, following an agreement with NORAD last year, we are now using our assets to assist with the interdiction of aircraft, if necessary, under NORAD agreements. We also require that slow-flying and unidentified aircraft identify themselves. If they do not, we are able to use our own capability to track them until they land.

When the CF-18s are on their regular missions, they can be involved in this kind of exercise and can be used, as can our other resources such as the Aurora aircraft, or other facilities. In this way we are entering into the fight on drugs and, as has been shown already, we have been successful in several ventures.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, what I am really asking is whether we have the equipment to do the job. Yesterday the Minister of National Defence announced the implementation of a directed landings policy which will require all aircraft flying into Canadian air space without a filed flight plan to force land at a port of entry.

Will the minister confirm to the House that this new policy has been made necessary by the inability of the government to carry out effective and comprehensive air sovereignty surveillance, including drug interdiction?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, no, certainly I would not agree with that.

The policy of requiring unidentified aircraft to land is part of trying to ensure that aircraft smuggling drugs cannot get into Canadian airspace. It is one of the

mechanisms by which we can have greater assurance of that.

In addition, the aircraft resources of our department and others, are involved in tracking, in trying to identify aircraft and ensuring that unidentified aircraft do not enter Canadian air space.

* * *

THE ENVIRONMENT

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

As the minister knows, the Saskatchewan government has announced it will resume construction on the Rafferty–Alameda dam. Even before the review panel has had a chance to meet, the government is proceeding with the project. The Government of Saskatchewan is thumbing its nose at the federal government and at the laws of the land.

Does the minister not agree that not only is this decision a violation of his agreement with Saskatchewan but also a violation of the spirit of the federal court order of last December?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, we have been informed of certain activities that the Government of Saskatchewan would like to do, relating to the Rafferty–Alameda dam project.

We are in the process of checking out what those activities are. If we find out that they are not justified by safety reasons and not identified as such by the Independent Design Board which has been set up for that purpose by the terms in the agreement, we will step in and take the proper decision. We will not accept that the spirit of the agreement be violated.

I am sending a letter today to my colleague, the Minister of the Environment of Saskatchewan. I intend to speak with him on the phone today also. I would like to know what kind of work is being done. It might be that there is no problem. Maybe they are justified by safety reasons. If not, we will have to go back to the agreement and make sure it is respected.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, this is becoming a farce.

It is estimated that around 80 per cent of the construction will be completed by the end of the summer. Already we have reports from Saskatchewan today that some panel members are considering resigning, because it is a farce.

Why will the minister not act? Why will he not stand up in his place and state that he is revoking the licence until there is a proper environmental review and he can say to the Province of Saskatchewan: "Yes, you can proceed." or, "No, you cannot proceed." First, let's revoke the licence and have a proper environmental review.

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, we know that we have to verify the kind of work that is being contemplated now.

That being said, we should believe that this issue has been dealt with very well by the Saskatchewan authorities. They are being very responsible. They have accepted an agreement without any precedent in the world. We have agreed to stop the work on this dam.

There is a full-blown assessment going on, and we will soon know when the work can be resumed. In the meantime, I intend to talk with my fellow minister to make sure that the agreement will be respected.

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[*Translation*]

CONSUMER AND CORPORATE AFFAIRS

Mr. Jean-Pierre Blackburn (Jonquière): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. Like many other Canadians, the people in the riding of Jonquière wonder whether companies will really pass on to consumers the difference between the present tax, which is 13.5 per cent, and the new, lower 7 per cent goods and services tax.

How does the minister intend to ensure that companies will actually pass on the benefits of this tax reduction to consumers? Will there be a special mechanism or a review board to ensure that companies reduce their prices?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, of course, as the hon. member pointed out, the government will take all necessary steps to ensure that businesses that benefit directly from a 13.5 per cent reduction in inputs will pass on to consumers the

difference between 13.5 per cent and 7 per cent. My colleague, the Minister of Finance, mentioned earlier that a number of large corporations have already done so: GM, Ford and, more recently, Sears. We intend to set up a mechanism, and I intend to make an announcement within the next few weeks, that will provide for price monitoring. The information will be collected, and we will ensure that the difference between 13.5 per cent and 7 per cent is actually passed on to the consumer. It is our responsibility as a government, and we will do everything in our power to ensure this is done.

* * *

• (1450)

CANADA POST

Mr. Louis Plamondon (Richelieu): Mr. Speaker, my question is directed to the Minister responsible for the Canada Post Corporation.

Canada Post recently established Admail, a private flyer distribution service that undercuts collective agreements and competes directly with Quebec's regional weeklies in this area.

Could the minister promise the House today that he will put an end to this unfair competition by Canada Post which is a threat to the survival of the weekly press in Quebec and French Canada?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Canada Post has been involved in the business of distributing advertising material for over 100 years, this is not a new activity. It is a highly competitive activity. There are several organizations involved in distributing advertising mail, including newspapers, door-to-door.

I am told that in Quebec, Canada Post represents about 19 per cent of the market, so 81 per cent of the market is handled by private distributors. Were Canada Post to quit the business, it would not necessarily end competition.

I do not feel it would be advisable to ask Canada Post to quit, since this House has asked them to go out and operate in a businesslike fashion in the business of distributing hard copy, if you will, and this is part of it.

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ENERGY

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources and it concerns the activities of Petro-Canada in Myanmar.

As the minister knows, Petro-Canada International, the development arm of Petro-Canada, has withdrawn from this country because of human rights violations but Petro-Canada itself continues to operate a $22 million oil drilling contract. Given the contradiction between having one agency withdraw because of human rights violations and the other agency, the parent company, continue, will the minister undertake to tell the House whether or not he will instruct Petro-Canada itself to withdraw from this project?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I thank the hon. member for the question. As he knows, the present agreement was signed between Petro-Canada International and now Myanmar, in 1988, prior to the present military government coming into power. Only recently did the contract reach the implementation stage.

I have been informed that for the present, Petro-Canada International has decided to suspend the program. The government supports that decision. In fact, I want to tell the hon. member and the House that we have urged the company to review its activities there, in light of the deteriorating human rights and political situation that is now evident.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the same minister and I appreciate his response on this issue.

Given that this Crown corporation is involved in several parts of the world, can the minister assure us that he will undertake a review of several programs to make sure that these human rights violations, and the countries where we are concerned about this, are related to our External Affairs policy, to make sure that we do not get involved with countries where we are concerned about human rights?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I cannot answer fully for the hon. member. He is well aware that Petro-Canada International gets its funding through External Affairs. It

receives about $50 million presently. As a contractor, Petro-Canada then does the work in particular countries. I think we all recognize this is part of External Affairs policy and is our contribution as Canadians to the development of some of these energy sources.

In terms of the specific question that the member asked, will this be reconciled with human rights violations in possibly other countries, I know the Secretary of State for External Affairs is aware of the implications of that question. He and I will continue to look at the role Canada plays. I think we have to balance what was done, for example, in Myanmar, and the ability of Canada to contribute internationally to further development as well.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, at a time when the government has withdrawn national unity from the CBC's mandate, the polls show that national unity has become a top priority for Canadians.

My question is directed to the Minister of Communications. Considering that broadcasting is a powerful force that contributes to the understanding, tolerance and generosity of Canadians from coast to coast in these unstable times, will the minister take this opportunity to put national unity back into the mandate of the CBC?

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, first of all, I do not find it surprising that in a country, people should be in favour of national unity. We have a problem when the opposite is true. I think everyone in this House should be delighted when the polls say that a majority of Canadians favour national unity in this country.

Second, the question is whether the Union nationale—

Some hon. members: Oh, oh!

An hon. member: That was 20 years ago!

Mr. Masse: My political roots are showing, Madam.

We must determine whether national unity is something to be inflicted or to be experienced. We believe that the Union nationale—

Some hon. members: Oh, oh!

Mr. Masse: —that national unity should not be the result of force-fed propaganda but of a positive will.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, for the minister's information, national unity is something that is built.

[*English*]

It is not a propaganda tool to find a vehicle across this land that will let Canadians know one another from coast to coast. If that is propaganda, I feel sorry for the minister's vision.

I feel very passionately about Canada. There seems to be a difference in viewpoints in this House as to how it should be expressed. Last week the Prime Minister was passionate when he said to the Council for Canadian Unity, and I quote: "Everything we have accomplished as a country can be traced to our sense of national purpose, to our national unity".

If the Prime Minister speaks for the Government of Canada, will the Minister of Communications today undertake to reinstate the national unity mandate to Radio-Canada, to the Canadian Broadcasting Corporation?

[*Translation*]

Hon. Marcel Masse (Minister of Communications): Mr. Speaker, I have the impression that—

[*English*]

—the member is building her attack for next week when the bill will be before the House.

First, I have to tell the hon. member something. We ask the CBC to reflect what is Canada. What was done in 1968 was to put the question of national unity. What type of country have you left to us in 1982? Something without Quebec. So, we prefer our approach to your approach.

Some hon. members: Oh, oh!

Some hon. members: Hear, hear!

Mrs. Finestone: That's right, because you have been unconscionable.

[*Translation*]

CONSUMER AND CORPORATE AFFAIRS

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is directed to the Minister of Finance. Yesterday, Mr. Dodge said that the unions do not believe companies will reduce their prices after the sales tax is abolished. According to today's *La Presse*, Hydro-Quebec ignored these tax reductions when it applied for rate increases for next year. Isn't that an indication that the unions are right?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I also read that article and found it very interesting. I can't go into any detail about the facts mentioned in the article or the accuracy of its information. As I said in my answer to a previous question, I can give Canadians and especially Quebecers the assurance that this particular point is a matter of concern for the government. Our objective, and this is very important, is to ensure that when there are benefits to be passed on with respect to the goods and services tax, when the hidden tax of 13.5 per cent is replaced by a 7 per cent tax, that companies, in fact, that everyone passes the benefits on to the consumer. We and the companies have that responsibility. I can assure the hon. member that we will be most vigilant, Mr. Speaker, to ensure that this happens.

• (1500)

[*English*]

I mentioned earlier that some big businesses such as Sears, GM and Ford have already stated that they are going to pass the benefits on to consumers.

What we want are commitments from other companies and businesses that they will pass the benefits on to consumers.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I say to the minister that here he has an example of not a promise, but a reality that Hydro Quebec, and the same is true for Ontario Hydro, have not taken into account in their requests for increases in the rates for next year the fact that there will be reductions in the sales tax.

Let me ask this government not for empty promises, but what precisely will it do in the face of these problems that actually exist?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, we must be accurate. I do not think that Ontario Hydro has set its rates for next year.

On the other hand, I want to emphasize that Hydro Quebec is under provincial jurisdiction. I do not think the hon. member is asking us to intervene on provincial jurisdiction.

[*Translation*]

Mr. Speaker, I already said that we would look into the facts that were brought to our attention this morning. It is quite obvious that we will urge all Canadians at all levels so that all consumers can benefit from the reduction from 13.5 to 7 per cent.

However, my colleague should raise specific questions, as I just said, and he did not in the case of Ontario. We will wait and see whether the Government of Ontario will at least mention these matters and we are not going to anticipate what will be said in the coming weeks.

ROUTINE PROCEEDINGS

[*English*]

ENERGY, MINES AND RESOURCES

TABLING OF ANNUAL REPORT OF COLUMBIA RIVER TREATY PERMANENT ENGINEERING BOARD

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, pursuant to Standing Order 32(2), I am pleased to table in both official languages the annual report of a project which I know you had a lot of intimate dealings with, namely, the Columbia River Treaty Permanent Engineering Board to the Government of the United States and Canada for the period October 1, 1988, to September 30, 1989.

Mr. Speaker, I know you will be pleased to note that the objectives of the treaty are being fully met by the board's reports.

Routine Proceedings

COMMITTEES OF THE HOUSE

INDUSTRY, SCIENCE AND TECHNOLOGY AND REGIONAL AND NORTHERN DEVELOPMENT—AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, I believe that you will find unanimous consent for the following motion:

That further to the order made on April 11, 1990, the Standing Committee on Industry, Science and Technology and Regional and Northern Development be authorized to travel to Edmonton during its western investigations.

Mr. Speaker: Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Mr. Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, pursuant to Standing Order 36, it is my honour to present a petition on behalf of a large number of Canadians who are opposing the goods and services tax. The petitioners feel that this is an unjust and unfair tax which discriminates against those Canadians who live outside the central corridor of Ontario and Quebec and are asking the government and the Parliament of Canada to do whatever they can to curtail this tax.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another topic, the petitioners point out the government's intention to dismantle passenger rail service in Canada. The petitioners, primarily from western Canada, go to some length pointing out all the reasons why Canada should have a comprehensive VIA Rail service across the country, particularly because of its environmentally friendly nature. They ask that the government not only stop the dismantling of VIA Rail but in fact invest in a rapid, economical, safe, convenient, environmentally sound and energy efficient passenger rail system.

CHILDREN'S BILL OF RIGHTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on a different topic, the petitioners are pointing out to the House of Commons that the number of children living in poverty is actually increasing in Canada. They feel, and I certainly support them, that this is something that we ought not to tolerate for a moment. They have asked the government to rethink its position of voting against a comprehensive bill of rights for children and are asking the Parliament of Canada to reintroduce it at some time in the future.

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another topic it is my pleasure to present a petition on behalf of a number of people from Kamloops, British Columbia who are distraught with the fact that the government has seen fit to tax magazines, books and newspapers at a time when we are concerned about the increasing levels of illiteracy. I think that this is the only country in the world that will be actually taxing reading. Therefore, the petitioners are asking the government to please come to its senses and back off again from the GST legislation.

COMMUNICATIONS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present two petitions. The first petition calls upon Parliament to prevail upon the Secretary of State to restore the funding for the native communications program and for the northern native broadcast access program which were cut in the recent budget of the Secretary of State.

GOODS AND SERVICES TAX

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, the second petition, also certified under Standing Order 36, calls on the government to reject the current proposals for a goods and services tax and to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations.

PEARSON INTERNATIONAL AIRPORT

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, I have the honour, pursuant to Standing Order 36, to table a petition certified correct as to form and content from

over 700 residents of the constituency of Etobicoke North.

The residents express their deep concern at the proposed expansion of Pearson International Airport, bearing in mind the deleterious effects on the quality of life in the constituency of Etobicoke North and other surrounding areas of the airport from previous expansion. They also express their concern about the impact that the proposed extension and addition of runways at Pearson International Airport will have on the environment, on their health and on their ability to pursue an active life in the area surrounding the airport. To that end, the petitioners offer some proposals to the government about how such unwanted and unwarranted impact of airport expansion may be avoided.

• (1510)

GOODS AND SERVICES TAX

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I have the honour and duty, pursuant to Standing Order 36, to present to this House a petition certified correct by the clerk of petitions. It contains the signatures of many Canadians from the great riding of Hamilton West.

In part, it states that the Liberals, on behalf of Canadians, strongly oppose this new goods and services tax which is an unprecedented tax grab from the pockets of Canadians and will hit them not only with higher taxes but higher inflation, higher interest rates and higher unemployment. Therefore, we the undersigned, your petitioners humbly pray and call upon Parliament to reject the proposed goods and services tax.

VETERANS AFFAIRS

Mr. Stan Keyes (Hamilton West): Mr. Speaker, on a different matter, I also have a duty to present to this House another petition certified correct by the clerk of petitions. In part, it states that the Government of Canada has introduced charges that will reduce home-keeping services to veterans and substantially increase the cost of long-term care, and whereas the veterans have already given service to this country and should not be targeted by these measures, the petitioners call upon Parliament to reject those budget measures that deprive veterans of proper services and increase their financial hardship.

[*Translation*]

REQUEST TO END PROMOTION OF VIOLENCE

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I am pleased to present today a petition with regard to violence signed by 1,736 people mostly from Beauharnois, St-Etienne, Maple Grove and Melocheville in my riding. What is interesting to see in this petition sponsored by Christiane and Gérald Gatien is how they succeeded in identifying incentives to violence such as violent movies shown on television, a problem aggravated by videos, electronic games where players try to kill animated characters such as animals and people, deadly gun licences as demonstrated recently at the *École polytechnique* in Montreal, and freedom of the press. If, on the same day, we hear a great speech on Canadian unity and we see someone trampling on the Quebec flag, we can be sure that tonight most media reports will focus on the latter.

So all this publicity, this incitement to violence attracted the attention of my fellow citizens, and I am honoured to table this petition on their behalf.

[*English*]

PEARSON INTERNATIONAL AIRPORT

Mr. Sergio Marchi (York West): Mr. Speaker, I have the honour to present a petition signed by residents in my riding and in ridings abutting the Pearson International Airport. They are concerned with the viability of their neighbourhoods.

Acknowledging the fact that the airport is here to stay and that planes are a popular mode of transport, there has to be some concern and sensitivity given to trying to enforce restrictions for late night and early morning travel over these communities, that there be a fair alternating between runways so that one community is not over-burdened by one particular popular travel course where planes land and take off and, finally, that there is some concern with respect to building an additional north-south runway.

It is hoped that the very energetic, the very popular and knowledgeable new Minister of Transport, is certainly going to be more progressive than some of his predecessors. I have every confidence that this minister will listen to the concerns, not only of the travelling public but of the public who live near these airports.

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, it is my duty and pleasure to table a petition under Standing Order 36, which has been duly certified, on behalf of a number of residents of Ontario who are concerned about the government's continuing policy of low-level flights in Nitassinan and continuing policy of trying to bring a NATO base into Labrador.

They urge this House to join the Assembly of First Nations, the Innu of Labrador, and other aboriginal peoples in opposing the use of their lands for NATO and NORAD attack training; to demand that the government end all NATO and NORAD low-level flight training anywhere in Canada; and to oppose the establishment of NATO operations in Canada. By that they have in mind particularly the proposed tactical fighter and weapons-training centre for Goose Bay.

In summary, they ask that this House direct Canada's NATO/NORAD funding in a different direction to enable Canada's aboriginal peoples to regain control of their lands and their livelihood and to promote sustainable development for all Canadians.

GOODS AND SERVICES TAX

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have the honour to rise under Standing Order 36 to present a petition signed by 2,921 Canadians, almost all of whom are resident in Edmonton, which calls upon the House to reject the proposal for a goods and services tax, to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations, to ensure that if and when there is a broad public consensus on a sales tax measure to replace the manufacturers' sales tax that this reform not be an opportunity for the government to impose a massive tax grab and, lastly, cause the government to cease with the proposal which will shift the tax burden onto ordinary Canadians through a regressive consumption tax instead of through real tax reform.

VIA RAIL

Mr. Ross Harvey (Edmonton East): While I have the doubtless riveted attention of the House, I would also like to present a petition from several residents of Edmonton and, oddly, of Agassiz, Abbotsford, Aldergrove and other lower mainland communities in B.C. I do not understand the conjunction, but it is here, Mr. Speaker.

All of these fine Canadians call on the Parliament of Canada to maintain VIA Rail Canada and to give VIA Rail a sufficient budget to maintain its national mandate for passenger service. Wise counsel. It is to be hoped the government pays attention in both instances.

Mr. Speaker: I must say that the Chair is so impressed with the enthusiasm of the hon. member for Edmonton East that I think, with his permission, I shall send to him all the petitions that come to me to be presented to the House.

Mr. Harvey (Edmonton East): I would consider it a singular honour, Mr. Speaker.

CANADA POST

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I have the pleasure today, pursuant to Standing Order 36, to present petitions to the House that were gathered in Halifax, Nova Scotia, signed by some 1,500 residents of Halifax, Dartmouth and Sackville, Nova Scotia, all of whom are protesting the closure of the corporate postal outlet at the Halifax shopping centre in Halifax, Nova Scotia.

The petitioners state that the closure means a major disruption and inconvenience to large numbers of senior citizens, families and other individuals in the neighbourhood of the shopping centre who depend on the products and services of Canada Post and that the closure inconveniences others, who may from time to time use the largest shopping centre in Nova Scotia.

The petitioners call upon Parliament to ensure that Canada Post reverses the short-sighted plans that have closed the corporate postal outlet, and call on Canada Post to keep a full-service Canada Post corporate outlet operating in the Halifax shopping centre.

GOODS AND SERVICES TAX

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise today to present two petitions. The first petition is with respect to the goods and services tax and it is signed by 100 residents of Moose Jaw, Saskatchewan, only 100 of many thousands of people in the city of Moose Jaw who are opposed to the goods and services tax.

The petitioners call upon this government to address the unfair tax system that is currently in place which permits wealthy individuals and corporations to pay little or no federal tax, while forcing lower and middle-income taxpayers to bear more of the national tax burden. They

are upset that the government is now going to be taxing haircuts, diapers, coffins and home heating fuels.

They call upon this government to reject the goods and services tax. They call on the government to reform the taxation system so that there is a more effective minimum tax on wealthy individuals and corporations and to ensure that if and when there is a broad public consensus on tax measures to replace the manufacturers' sales tax, this reform will not be an opportunity for the government to impose a massive tax grab.

CANADIAN WHEAT BOARD

Mr. Rod Laporte (Moose Jaw—Lake Centre): I also have a petition from a number of farmers from Saskatchewan who are very concerned about the future of the Canadian Wheat Board. They call upon this government to reinstate oats under the jurisdiction of the Canadian Wheat Board and to provide the wheat board with the necessary mandate it needs to provide good service to producers in western Canada.

• (1520)

GUN CONTROL

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I have the honour to present four certified petitions with 1,428 signatures from people in my riding and Metropolitan Toronto and region.

People throughout Canada do not want a proliferation of powerful weapons capable of firing bullets in rapid succession for extended periods of time. They do want a system established which ensures that people who do own guns are competent, careful and respectful of the rights of others.

EMPLOYMENT AND IMMIGRATION

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, it is my privilege to present this petition on behalf of the people of Prince Edward Island.

Whereas the undersigned reject the decision of Canada Employment and Immigration to close and relocate the unemployment insurance office in Trail, British Columbia, it is perceived that similar action would take place across the country. This action in Prince Edward Island would result in the closure of all UI offices except in Charlottetown.

The petitioners humbly pray and call upon Parliament to reverse this decision to close the Trail, B.C. office, and to direct that no similar closures take place now or in the future anywhere within the province of Prince Edward Island.

BILL C-43

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, I rise today to present a petition from several hundred constituents in the riding of Prince Edward—Hastings who humbly pray and call upon Parliament to remove the word "health" from Bill C-43 so that the bill reads as follows: "Anyone who induces an abortion is guilty of an indictable offence and is liable to imprisonment". The exception is when a medical practitioner believes that the life of the mother is threatened.

* * *

QUESTIONS ON THE ORDER PAPER

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

Mr. Speaker: Shall all questions stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

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

Mr. Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S.O. 52

FARM INCOME

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, I rise on a matter of an urgent nature to rural Canada and particularly to people in the prairie provinces.

Earlier today I sent you a letter and stated that I would be rising under this Standing Order to request a debate on a matter of urgent and pressing concern.

A series of recent events, culminating in an announcement late yesterday of a drop in the initial payment of wheat and barley prices that are guaranteed by the government of Canada through the Canadian Wheat Board, have brought this matter to a head.

Recently, the government announced increases to Farm Credit Corporation loan rates, bringing them to levels above the Bank of Canada prime, which is unprecedented in the history of the Farm Credit Corporation.

The billion dollar aid program which the government said was required to help offset the effects of the international grain war is still pending.

The Economic Council of Canada recently predicted that farm income across the Prairies will drop significantly, by as much as 87 per cent in some regions.

As well, the Farm Debt Review Board recently reported that more than one-third of western farmers are in a severe financial crisis. A high percentage of these will be unable to obtain the necessary funds to plant their crops without government assistance. The fact is that seeding has now actually begun in some regions.

I submit that a debate is necessary to bring to the government's attention the need for its intervention and support. I request that this House adjourn to debate the crisis facing Canadian farmers.

SPEAKER'S RULING

Mr. Speaker: I want to thank the hon. member for Moose Jaw—Lake Centre for giving me notice. I hope other members will take notice of my comments that the hon. member has put his case succinctly and without delving into argument and debate. That is appreciated by the Chair.

I have given this very careful consideration. It is a matter of very great concern, I am sure, all across the country, but especially to our farming communities. While it is a serious problem, I do not think it is appropriate at this time to adjourn the business of the day to go ahead with an emergency debate. That does not mean that the situation might not warrant a debate at some point, but not for today.

I also point out to hon. members and to the public that the hon. member for Moose Jaw—Lake Centre and others have been very diligent in their representations on behalf of their constituents in this Chamber on this matter. I am sure that they will continue to be as diligent as they have been.

As I say, not today, but we will watch events.

GOVERNMENT ORDERS

[*Translation*]

DEPARTMENT OF MULTICULTURALISM AND CITIZENSHIP ACT

MEASURE TO ENACT

The House proceeded to consider Bill C-18, an Act to establish the Department of Multiculturalism and Citizenship and to amend certain Acts in relation thereto, as reported with amendments by a legislative committee.

SPEAKER'S RULING

Mr. Speaker: There are five motions in amendment on the Notice Paper for the report stage of Bill C-18, an Act to establish the Department of Multiculturalism and Citizenship and to amend certain Acts in relation thereto.

[*English*]

The first motion in the name of the hon. member for Vancouver East, although causing the Chair some procedural difficulty because it seeks to add a definition to a bill which contained none when the bill received second reading in this House, will be given the benefit of the doubt, will be allowed, and I can say to the hon. member that it will be debated and voted on separately.

Motions Nos. 2, 3, 4 and 5 are all out of order and as a consequence will not be received.

[*Translation*]

Motion No. 2 by the hon. member for Vancouver East is out of order because it introduces a new concept into the bill by making it mandatory for the minister to "activate" departmental multicultural policies. This is contrary to our practice as will be found in Beauchesne's 5th edition, citation 773, subsection (1).

[*English*]

Motion No. 3 also in the name of the hon. member for Vancouver East attempts to introduce official languages into the bill, a proposition which was not contemplated when the bill was read a second time. This has caused the Chair serious concern. After careful review, the Chair must rule Motion No. 3 out of order and in support of this position I would refer all hon. members to Beauchesne's Fifth Edition, Citation 773.

[*Translation*]

Motion No. 4 standing in the name of the hon. member for Saint-Laurent—Cartierville raises procedural difficulties because it introduces into the legislation a Commissioner of Multiculturalism. The subject matter of this motion was generally considered in committee and it will not be selected for this reason as well as the fact that it goes beyond the scope of the bill as agreed to at second reading.

Citation 773, subsection (1) of Beauchesne's 5th Edition stipulates that "An amendment is out of order if it is irrelevant to the bill, beyond its scope or governed by or dependent upon amendments already negatived."

[*English*]

In addition Motion No. 4 appears to infringe the Royal Recommendation which accompanied this bill on its introduction, contrary to Citation 540 of Beauchesne's Fifth Edition.

For these reasons, it is with regret that I must inform the House that Motion No. 4 will not be put to the House for debate.

[*Translation*]

Motion No. 5 is also attempting to introduce a new concept into this bill by having the Canadian Human Rights Commission "monitor the implementation of multiculturalism" among other things. This is completely foreign to the bill as it was given second reading and approval in principle. In support of my view that this is not acceptable, I would refer hon. members to Beauchesne's 5th edition, citation 773.

[*English*]

I would like to thank all hon. members for their co-operation as always.

I will now propose Motion No. 1 to the House.

• (1530)

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

Mr. Riis: Mr. Speaker, now that we have heard the ruling by Mr. Speaker, I want to point out that the first motion to be debated is in the name of the hon. member for Vancouver East who, unfortunately, is unable to be here today as a result of constituency work.

There have been some discussions among the parties, Mr. Speaker, and I think you would find unanimous consent to allow me to put the motion so that debate can commence.

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

Some hon. members: Agreed.

Mr. Nelson Riis (for Ms. Mitchell) moved:

Motion No. 1

That Bill C-18 be amended by adding immediately after line 6 at page 1 the following new clause:

"2. In this Act

"multiculturalism" means that fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians as regards race, national or ethnic origin, colour and religion".

He said: Mr. Speaker, I am pleased to have a chance to participate in the report stage of Bill C-18, and in particular to have an opportunity to say a few words on behalf of the hon. member for Vancouver East who has worked so hard during the process of this bill on behalf of the ethnocultural communities of the country.

The hon. member regrets that she is unable to be here but it is as a result of constituency business. In my discussions on this bill I have not felt very good having to deal with this piece of legislation today.

As the hon. minister will know, when Bill C-18, an act to establish the Department of Multiculturalism and Citizenship, was first introduced, by and large it was seen as a housekeeping bill. It appeared that the government had made a commitment to multiculturalism in the country and had encouraged the enhancement of citizenship organizations. This bill was seen as very much an appropriate step for the government to be taking.

That was what we found at second reading. If you were to look back at *Hansard*, Mr. Speaker, you would see that the speeches actually reflect that. There was a great deal of enthusiasm in the House—not quite unanimous, but virtually unanimous—in terms of what appeared to be the general thrust that the government was taking with regard to Bill C-18, in response, I might add, to some good, positive lobbying by the Canadian Ethnocultural Council.

After second reading the bill went to committee. At that time a whole set of concerns which were raised were simply not met. I hesitate to do so but perhaps it would be appropriate to refer to a letter that a number of members received not many weeks ago from the Canadian Ethnocultural Council.

The author of the letter points out that the council is very concerned with this piece of legislation. To use his words, "to accept a half-baked bill and department would be to ignore the trust of our membership in advocating for meaningful policy". The letter was signed by Mr. Lewis Chan, the President of the Canadian Ethnocultural Council. This is an individual representing an organization, which in turn represents the ethnocultural fabric of the country, which is calling the legislation and the department half-baked.

I think it might be worthwhile to take a moment or two to explain why people are beginning to refer to the department in such a negative way before it is even created. This does not bode well for the future.

I can use my own constituency as an example. We have an immigrant services organization whose job it is to provide all sorts of supportive infrastructure for new Canadians. It bases its operations largely on volunteer work. This is a group of many Canadian citizens who are prepared to spend their talents, energy, time and, in some cases, their own money to assist new Canadians. They have had a paltry budget to operate a centre which provides a central focus for these people to come to participate in various programs. Yet their funding has been reduced at a time when we are seeing the numbers of people coming to Canada increase.

Money set aside for language training has also been reduced. This group is rather exasperated because people are trying to serve, if you like, the minister and the federal government in providing a welcome to new Canadians, yet they are unable to do so at what you would have to call any reasonable level.

Just the other day I received a note from representatives of the Sikh community in Kamloops who were complaining about the fact that for a number of years they have been educating their young people in their own language. The funding has now been cut. The traditional programs that they were able to produce are no longer there. There was a great deal of anguish felt in that community because they are unable to provide this very important service, as they saw it, which would allow their community to maintain its cultural vibrancy in the community.

I think we all appreciate, particularly during these times, how important language is. If the language of a group dies, its ability to carry on in any meaningful cultural way is essentially eliminated, something which we have seen, much to our disappointment, with a number of native languages in our country. Hopefully, we are seeing a bit of a comeback in that regard.

It seems to me that if the government was really supportive of the concept of multiculturalism, then that is one of the areas of funding it would be expanding. Alas, such is not the case.

We have seen a 15 per cent cut to advocacy groups. I thought the point of this whole initiative was to encourage the multicultural diversity in the country. At a time like this one does not cut funding to the advocacy groups that represent these particular communities.

We have also seen that cuts were made to citizenship instruction and language training which was a cost-sharing agreement with the provinces to fund part-time ESL/FSL and citizenship training for immigrants.

I do not have to say that in this year's budget the funding for heritage languages was cut by over $4 million. Essentially, this eliminated the subsidy for heritage language classes across the board.

I could go on at some length. I have all kinds of notes that various organizations have provided with respect to where the government has reduced, cut, curtailed and eliminated support for the various aspects of Canada's ethnocultural community.

That is why we are rather perplexed that we are proceeding with this particular piece of legislation at this time and in this way. That is why my hon. colleague from

Vancouver East moved a motion that would very clearly define what multiculturalism means in this legislation.

She suggests it means "that fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians as regards race, national or ethnic origin, colour and religion."

Therein lies the challenge that we ought to have in terms of supporting the notion and concept of multiculturalism. But when we look at the record we see that that is not occurring. As a result of having supported this legislation at the second reading stage and after having seen how callously the government ignored the set of recommendations that came forward during the committee stage, naturally, we are having a great deal of reluctance now to continue that support. As a matter of fact, unless I hear some very encouraging remarks and total policy changes from the minister later on in this discussion, I am afraid that we will not be able to support this bill when it comes to the third reading stage.

Thank you for the opportunity, Mr. Speaker, to say a few words on this most important initiative.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I too am very happy to have the opportunity to speak on this important amendment. I salute the member for Vancouver East who tried for a long time to get a definition of multiculturalism into this bill. I think she has come up with one that is very good. It is one which we support.

Although we support this amendment, as the hon. member for Kamloops said, we do have some concerns with the activity of late in regard to this department, and I will come to them.

• (1540)

First, I would like to read the hon. member's definition of multiculturalism. In light of the constitutional debate that is going on today I think it is very important that when we talk about multiculturalism our definitions be very specific.

In her amendment the hon. member proposes that:

> "multiculturalism" means that fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians as regards race, national or ethnic origin, colour and religion.

It is so important that we have that definition because in the past the ministry of multiculturalism has been perceived as a service of government that was there for people from all cultures who required service, with the exception of English or French.

Initially, I supported this bill. Yet, as I said when I first spoke on it, it was with qualifications because I had some nervousness about it. I was nervous that the department might become a department which provides token activity.

What I am concerned about is that as this bill has been put through the various phases we have been seeing activity that has not been working in favour of its support. As I mentioned in my first speech, and I repeat it today, we are at a period of time when the Minister of Finance is always talking about national productivity and global competitiveness. I support that. But it seems to me that one of the distinct trading advantages that we have in this country is our multicultural reality.

I have had personal experiences myself in that regard. If we were in Japan dealing with Toyota, it was great to have someone along who could speak and understand the language. Last January, in Moscow, it was great to have someone there who could speak and understand Russian. When we can understand each other, that accelerates business opportunity. It promotes exchange between Canada and other countries around the world.

The thing that gave me great hope about this full department was that I could see that it would not be used just for cultural events, but that it would be used as an instrument to promote global economic activity, heritage languages and studies, as well as the institute, et cetera. Then, in the last few months, we have seen massive cutbacks.

What concerns me about the cutbacks to the proposed department of multiculturalism is the fact that when the Minister for International Trade wanted $14 million to promote languages in the Pacific Rim he got it. Once again, I go back to my old nervousness which tells me that this department of multiculturalism is being treated in a way that is tokenism.

In other words, when the minister responsible for multiculturalism went to the cabinet table and said: "Here are my requirements," it seems that he really did not fare well. Obviously, every department had to be cut, but when a new department is just trying to get on its

feet that is not a good signal to send to the rest of the country.

On top of that, when the Minister for International Trade can get $14 million for one section of the world, for Pacific Rim languages, I find that confusing.

I, too, have my doubts about the commitment to a full department. As I said before, if multiculturalism means being Canadian, then why does the department not get the full resources to look after protocol for the country? Why does the department not get to look after special events such as Canada Day, et cetera? When I see the department being stripped like this I think of it as a shell company and I get nervous.

This is a very sensitive issue. It concerns each and every one of us, especially the people in my own riding. My riding has constituents from all over the world. We must be responsible on this bill. But I, too, put up the flags of caution because the action—not the words—of the government over the last four months and its commitment to this bill have been lacking.

I want to go back once again to the amendment of the member for Vancouver East who wants to define the word "multiculturalism". I must repeat that I like the definition that sets out diversity and equality. I say that because right now we are going through a period in our country when people are having doubts about whether there is equality at certain times and in certain regions. As we know, this promotes racial tension and everything else.

I think anything that can be put into a bill like this that reminds people not only of our diversity and our equality is good. After all, we have been saying for many years in this House that no culture is less than or greater than another.

I salute the hon. member for her definition. I thank you, Mr. Speaker, for having the opportunity to speak on this bill.

Mr. Jack Shields (Parliamentary Secretary to Minister for International Trade): Mr. Speaker, I am rising today to consider the motion presented by the hon. member for Vancouver East, and addressed by the hon. members for Kamloops and Broadview—Greenwood.

The motion is to add to Clause 2 of Bill C-18 a definition of multiculturalism. I do not wish to take a great deal of the time of the House to review this motion at report stage, but I feel that it is very important that we not just vote on this motion but that we actually consider it here.

I understand the concerns of those who would wish to see Bill C-18, which is an act to establish the Department of Multiculturalism and Citizenship, as in some way a repeat of the Multiculturalism Act which Parliament debated and passed in the spring and summer of 1988.

I want to make it very clear that Bill C-18 is an administrative piece of legislation designed only to formalize the establishment of the department of multiculturalism and citizenship. It is not a policy bill. It is not a regulatory bill. It is merely a simple and straightforward administrative bill.

I have reviewed carefully the work of the legislative committee which examined Bill C-18 and was astonished by the degree to which witnesses appearing before the committee, and some committee members, attempted to reopen substantive policy questions.

The motion before the House today by the hon. member for Vancouver East and introduced by the member for Kamloops falls into that category. It is a motion which is designed in essence to reopen the debate on multiculturalism. We are establishing a department of multiculturalism and citizenship, not debating policy issues.

Simply put, there is no need for a definition of multiculturalism in Bill C-18.

I would urge the hon. members for Vancouver East, Kamloops and Broadview—Greenwood to examine other departmental acts to see if they contain the sort of elaborate definition which this motion is proposing.

I also urge the hon. members for Vancouver East, Kamloops and Broadview—Greenwood to review carefully the preamble to Section 3 of the Multiculturalism Act. It contains clear, concise statements as to the nature of multiculturalism. I would remind hon. members that it was adopted unanimously by this House.

• (1550)

On an equally substantive basis, I am concerned that the hon. members for Vancouver East deemed it necessary to define multiculturalism, but did not at the same time deem it necessary to define citizenship. I would like

to repeat that. The hon. member deems it necessary to have in this bill, Bill C-18, a definition of multiculturalism but does not deem it necessary to define Canadian citizenship.

For these reasons I would urge hon. members to reject this motion presented by the hon. member for Vancouver East and introduced by the hon. member for Kamloops.

I would urge hon. members today to rapidly conclude our deliberations on Bill C-18 and proceed to third reading.

I would also urge members of the other place to do likewise, because, as I said, this is strictly an administrative procedure to allow the government to formalize the formation of the department of multiculturalism and citizenship.

I speak on behalf of hundreds of thousands of Canadians who want to see the formalization of the department of multiculturalism and citizenship. I hope that this afternoon we will conclude our deliberations and move this bill forward in the spirit of co-operation and pride in Canada.

Mr. Speaker, thank you very much for the opportunity you provided for me to make my observations.

Mr. Sergio Marchi (York West): Mr. Speaker, I, too, rise in support of Motion No. 1. I find the rationale just offered to the House by the Parliamentary Secretary to the Secretary of State somewhat convoluted.

I think it is very clear that any piece of legislation that is tabled in the House of Commons becomes a policy exercise. I do not think you can divorce yourself from what should be policy and what should not be policy. There should not be legislation that would have members simply talking on its technicalities without there being definitions and clarity.

The fact that a new department is being created lends itself to a greater rationale for defining the department, its spirit, values and goals that it will embody. Clearly, we have a Canadian Multiculturalism Act which has gone to some lengths to define "multiculturalism" in terms of a fundamental characteristic. Therefore it should not be a problem for the government to extend that logic, one would think, to the creation of a new department. For the sake of consistency and clarification the term "multiculturalism", which has been abstract from time to time, should be defined. I do not see why this should be a the problem for the government.

If we were to take the time to better define the term "multiculturalism", then the parliamentary secretary would find that it would define what it means to be a citizen of this country. I think the key words in the definition proposed in the amendment are: "a fundamental characteristic of Canada".

I think it is very significant that we are debating this motion this afternoon while at the same time we are debating the Meech Lake constitutional amendments, together with the Frank McKenna proposals which are currently before a committee of the House of Commons. It was the Liberal party in the last Parliament that suggested in this House a key amendment to that Meech Lake document that should be adopted by this House and this government should be the recognition of those Canadians who are neither English nor French in the Constitution. They, too, should be able to see themselves in that constitutional document. They, too, should be able to hold it up and say: "My aspirations and my dreams as a Canadian are right there on page 1 of my Constitution".

Something that I think is missing from the Meech Lake document—and one hopes that we can redress that situation together—concerns the definition of Canada and Canadians in the opening paragraph. So far there is a very inaccurate and incomplete definition by virtue of the fact that it only talks about two of what I believe to be four fundamental characteristics of this country and its citizenship, namely, the French fact, the English fact, the aboriginal fact and the fact that there are eight or nine million Canadians who are not of English, French or aboriginal extraction.

When the opening lines of Meech Lake suggest that the fundamental characteristics are only composed of two of those four facts, namely, the English and the French, then there is an incomplete definition. Therefore, it is the aspiration of millions of Canadians whenever the opportunity arises, whether it is in the Meech Lake document or in a document to establish a department of multiculturalism, to have their trials, contributions and fierce loyalties to this soil called Canada reflected in the major document that this House is to

promote and defend five days of the week, 52 weeks of the year.

Therefore, we must ask why the government objects to putting into this legislation confirmation of the facts that you, Mr. Speaker, and I know are alive on the streets of Edmonton, Toronto, Montreal and Vancouver—on Main Street, Canada.

If it is already in the Multiculturalism Act, and if the Canadian Ethnocultural Council, which was before the parliamentary committee looking at the McKenna proposals last Saturday, and which reflected the aspirations of millions of Canadians who want to see that aspect of Canadian society recognized as a fundamental characteristic, then what is the fear of the government to recognize that as a fundamental characteristic in an act that establishes a new department of multiculturalism? It would be solidifying, confirming and celebrating what they recognize as being enshrined in the Multiculturalism Act which was passed in the last Parliament. What has changed?

I appeal to the good sense and the good judgment of my colleagues on the other side.

One hopes that this new department will be a transition point, a transition point from a junior ministry or an appendix of the Secretary of State where it has been for a number of years under successive and different governments and administrations, to one department, a department of culture.

I recognize that in politics and with reality being what it is that you cannot make one giant leap all of a sudden overnight. Therefore, if this motion provides a transition between that junior ministry to a ministry of multiculturalism and eventually to a ministry of culture, then that will harness the support of most of my colleagues in this House of Commons, irrespective of the political allegiances that they may have. A powerful ministry of culture, something which we advocated in the last Parliament, as you no doubt recall, Mr. Speaker, leaves behind the feeling of tokenism, the feeling that somehow there is a department of culture and communications on the one hand and a department of multiculturalism on the other.

What is our official culture? Our official culture is multiculturalism. We are proud to have two official languages, English and French. Our official culture is defined and expressed by multiculturalism.

Therefore one would hope that eventually we will arrive at the stage where our structural expressions to departments will in fact reflect the reality that we find on Main Street, Canada.

• (1600)

My final and concluding remarks would be—

Mr. Shields: Mr. Speaker, my hon. friend across the way keeps referring to the act to establish a department of multiculturalism. He should make it very clear that it is an act to establish a department of multiculturalism and citizenship. I think that should be made very clear in his remarks.

Mr. Marchi: Mr. Speaker, the last remarks would be—and my colleague from Broadview—Greenwood should be commended as one of our two co-critics on the issue of multiculturalism and citizenship—that there seems to be two agendas; one agenda before a national election on multiculturalism and another following an election.

If we cast our minds back to the days prior to the last election, we had a flurry of activity and announcements, be they for the Japanese-Canadian redress, increased grants, increased advertisements to third language media, an introduction of a multiculturalism act, or an introduction of the heritage languages institute. These were introduced within days and weeks of the election. After a general election you have the stripping of dollars and cents that gives expression and life to the principles adopted before the election. This builds cynicism and abstraction in terms of what this government believes when it speaks about multiculturalism. That is why we are after clarity, precision and commitment in terms of defining multiculturalism, not just when we speak in Toronto, Montreal or Vancouver at various picnics and gatherings of Canadians, but that we make them equally high priorities in the corridors of power in this city and namely on the floor of the House of Commons. We think it is a small price to pay to send out a strong symbol that this country and Canadians, who are neither English nor French, are not renters in this country, but that they, too,

are owners and are prepared to give to build a bigger and better Canada for ourselves and for generations to come.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I, too, wish to join in the debate on Bill C-18 and the amendment introduced by my colleague, the hon. member for Vancouver East in whose name the member for Kamloops moved the amendment today.

As my colleague mentioned, when Bill C-18 was introduced there was a general agreement by all parties in this House to help matters along. I believe it is fair to say that there was a sense of hope, optimism and co-operation to bring into force this new department of multiculturalism and citizenship. I think we all thought on all sides of the House that this was a good move and I believe everyone was prepared to give co-operation.

It was at the committee stage that the spirit of co-operation broke down. Hon. members attempted to introduce motions that would have strengthened the bill, added to it, and would certainly not have detracted from it, but these were met with resistance. We see that type of resistance today. The spokesperson from the Liberal Party has said that we do not understand why the government is so opposed to a definition of multiculturalism in this bill.

This definition helps to define and clarify the bill. It adds to it. It was introduced in the spirit of co-operation and to help make better legislation. Yet, for some obscure reason the government says "No, we will not consider this".

I listened to the parliamentary secretary give his reasoning. I am afraid I do not follow his reasoning. He mentioned there was a definition of multiculturalism but not a definition of citizenship. Is the parliamentary secretary playing games with us? He knows there will be a citizenship act introduced and in that act there will be a definition of citizenship. Why is he suggesting to the House today that because there is not a definition of citizenship in this amendment we should turn down the amendment that defines multiculturalism? I am afraid that the spirit of co-operation and helping to get good legislation is suddenly breaking down with the attitude of the government.

When the budget came down, we began to dream. I said: "Well, Bill C-18 might just be window dressing and lip service." We saw the cut-backs to essential programs. We saw cut-backs to programs that would help in terms of heritage language, that would help new immigrants to learn the English language and adjust to the Canadian culture.

Since that time, I met with various ethnic groups in my community of Regina—Qu'Appelle, particularly with the German community. They have registered to me their own and protest to the cut-backs to the grants that that community will get to allow young men and women, kids in my constituency, to received education and to receive language training in their former language, German. That is not true just for the German community, but it is true for many other communities as well.

I think the cut-backs to language training for new immigrants is terrible. We all recognize that the Canadian society is undergoing some tremendous strains and stresses. We see the beginning of racism in many quarters. All members of this House recognize that we need new immigrants in this country; otherwise our population will continue to decline. We need new immigrants.

It is important that, when new immigrants come, they are able to have some opportunity of learning the language so that they can integrate themselves into the economic life of this community, and not be thrown on the welfare, recipient-type line which will only breed further racism and resentment. These programs are essential for the social well-being of our country. Yet, the government cuts them and cuts them and cuts them.

One of the tenets of Canadian society is that we are a multicultural society. It is a goal. It is an ideal that this country has built on as opposed to the American ideal of the melting pot. We believe that when people come from different cultures, they have something unique to contribute to add to our mosaic. Indeed, they have. I think of the many contributions that the immigrant community has made to the economic, cultural and social well-being of Canada. We are what we are today is because of these many contributions.

Canada is unique, and I am proud of it. I am one of the members, but not the only member in this House, who was not born in this country. I was born in Indonesia.

There are members in this House who were born in Africa, in Asia and in Europe. This Parliament, and this country, one of the very few countries in the world is where we have this opportunity, privilege and this honour. It is a privilege and an honour for me, a person who was not born in this country, to be elected to represent my fellow citizens and fellow Canadians in this, the Parliament of Canada.

This is our strength as a country. This is the strength of our society. Yet, what we find in this government is a downsizing, a downgrading and the dismantling of things that have built Canada and made it strong. We see the dismantling of VIA Rail, we see the dismantling and the destruction of our cultural institutions like the CBC and the Canada Council. We see the destruction and the dismantling of Canada by the cut-backs to regional economic development, as well as by cut-backs of these great Canadian institutions in what we have in front of us today, the cut-backs to this important department and program, multiculturalism.

We see that our goals as a country are being diminished, downsized and downgraded. I ask this government: What are you going to leave us? What is your vision of Canada? What in heaven's name are you doing to our Canada? You are dismantling it, you are destroying it. What in heaven's name are you going to replace it with? What is going to be left when you are finished? Are we, indeed, going to have a country? What is going to happen to the rich resources, the human resources that we have built up over the years?

• (1610)

Bill C-18 could have been an important piece of legislation that all members of this House wanted to participate in and help strengthen because we recognize it is so important to our country. Yet, unfortunately, the attitude of the parliamentary secretary as he represented the government's attitude today is one of non-co-operation and in this I find it sad and unfortunate. I do hope that other government members will not heed the official line of the government and that they will vote with us on these important amendments.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I welcome the opportunity to take part in this important debate this afternoon. First of all, I wish to say that I also support Motion No. 1 which defines multiculturalism. In different circumstances, perhaps I would have considered what the parliamentary secretary said earlier. However, after giving the matter some thought and if we consider the government's record in this respect, I think we must insist on having a definition of multiculturalism. When the government introduced the bill to establish the Department of Multiculturalism and Citizenship, I was delighted because at last there was some recognition of the facts. In Canada today, there is no majority. One could say we are all equal, in the sense that one-third of our citizens are English in background, one-third French and another third have other cultural backgrounds.

So there is not one single cultural group that could be said to have a majority. When this Department was established, I thought we were finally giving recognition to those millions of Canadians who have made a major contribution to this country. Today, however, I am not so sure. I have the impression that the government merely wants to establish this department so that it can say during the next election campaign—I speak for the Montreal area. I come from that area, and we know how the government tries to make people believe it is aware of the problems of our cultural communities and that it is doing something about them. However, Mr. Speaker, when we look at the facts, this new department will be just another "monument", just so they can say: We have established a department of multiculturalism, just as they bragged during the last election campaign that they had finally drafted legislation on multiculturalism. When we read the legislation, it contained no specifics, nothing concrete at all. Sure, the government may, if it wants to, but there was nothing specific. The government must do that, the government should do that. It was always conditional, Mr. Speaker, and I see that nothing has changed.

If we look at this issue, the parliamentary secretary says that multiculturalism is defined in the Canadian Multiculturalism Act. However, when the Minister of State (Multiculturalism and Citizenship) had to make cuts in his budget, why were programs to assist heritage language teaching the first items to be cut? How can we say we want to promote multiculturalism in Canada when the first thing the government does is withdraw the help that is needed to teach heritage languages? That is the very basis of multiculturalism. How can we say our children are maintaining their cultural heritage, the culture of their parents, if they cannot learn the language of that culture? That is important. It is the very

basis of any society that calls itself multicultural, as we want ours to be, Mr. Speaker.

So that is why it is important, even in an administrative act like this one which creates a department, to define it. When it is not defined, either they do nothing or they completely alter the approach to the situation. If it is defined, at least they must take it into account. And every time, the minister responsible for this department can at least look at the definition of what multiculturalism is and ensure that this priority, his definition is respected.

I have seen the Secretary of State here in this House answer questions about the funds that he eliminated, not reduced. I understand that we are in a period of budgetary restraint, so one must make some sacrifices, cut a little here and there. But he completely—with a stroke of the pen, he said, "Not a cent. It's over. This program no longer exists." That is what I was just talking about—the funds for teaching heritage languages. He answered some questions from my colleagues and clearly said, "I did not cut because the Minister of Finance cut my budget; I cut because I decided to use that money for other priorities in my department." So what is the priority? Does the minister believe in multiculturalism or is it only rhetoric? Does the government believe in multiculturalism? If so, it should maintain the programs needed to promote multiculturalism, to ensure that Canada remains a multicultural country. I think that Motion No. 1 defines it in a bill creating the department. The preamble defines exactly what multiculturalism is. I think it is important that not only the present minister and the present government but also all ministers and governments that come after take account of it. If they do not agree with the definition, at least they will have to come before the Parliament of Canada to change it.

But if it is there and as long as it remains unchanged they will have to respect it. I am sure that had we had that kind of definition the federal government assistance to heritage language instruction would not have been completely slashed as it has been this time around.

Mr. Speaker, I know that groups have come from Montreal, and I meet some of them. A petition is being circulated in my riding and I intend to present it in the House to urge the government to reconsider its decision and to provide financial assistance to heritage language instruction. That is the very foundation of our multicultural system and I want to encourage the government to make sure that Canada remains a multicultural country because otherwise, without that program. Of course the federal government participated in that program, as did the provincial government. I might add that I know what I am talking about, for in the case of the Italian community, for example, the Italian government also takes part in this program.

But now that the Canadian government has chosen to withdraw from the program, I would not be surprised to hear that the government of Quebec will do the same and, of course, there is no reason why the Italian government would not follow suit so that the program will simply disappear. Italy does not stand to lose, Canada will lose that cultural heritage which made it possible for our children to be good Canadians and to be proud of their own culture. Together we make Canada a special country, unique in the world. I am sure you will agree with me, Mr. Speaker, that the moment Canada loses its multicultural identity it will no longer be the Canada we know, the Canada we want to promote. Consequently, I intend to support the motion and I hope the minister, who is here, will look favourably on this motion to define multiculturalism, reconsider his decision and re-allocate the funds required for heritage language instruction.

[*English*]

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am pleased to speak on this legislation.

I think we should take a look at the proposed definition that has been suggested in the amendment where it says that multiculturalism means: "the fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians as regards race, national or ethnic origin, colour and religion."

• (1620)

I think there are two or three very key words in that. One is diversity. It means that we honour and treasure our differences. Another is equality. These differences do not make us unequal, there equality is in spite of differences. It talks about all Canadians. It does not talk

about immigrants, or first generation, or fifth generation, or native people. It talks about all Canadians.

The fundamental concept of multiculturalism in Canada is quite different than other countries, particularly the United States. They have emphasized the idea of the melting pot, where religious, ethnic, and cultural values are left behind for those of the new country. Canada has done the opposite. It has said: "Bring us your culture, your religious differences. We honour them. We treasure them. They enrich our community". One does not have to look far in any community in Canada to see how much this diversity enriches our own community.

In my own riding of Surrey North we are very fortunate to have a large Sikh population. Some of them are new Canadians who have been here only months or relatively few years. Others are in Canada for generations. They have enriched our community tremendously because they have maintained their cultural and religious identity.

The Sikh religion, of course, is the focal point of their lives. They are devout. There is total community involvement in their religion. One of the many tremendous aspects of their faith is the concept of equality among people. This is symbolized at their services, when everyone, regardless of their status, or social economic base, participate in meals in the temple. It is a symbol of equality.

Their religion is important to them. That is why the whole issue of wearing turbans within the RCMP was so significant to that community. I am sure they feel much better about Canada now, being accepted after a hard fight.

The Sikhs have brought us other aspects of their culture, including their music, dances, and food. All of these things we treasure. That is what enriches us. We can participate in cultural activities that are reflective of the diversity of Canada.

Sikhs have a very strong commitment to their family which is exemplary to the rest of Canadians. Their families are very close-knit, and they believe in the extended family. They help one another. They start businesses together, and often they are multigenerational. I think it has set an example for the rest of Canadian society. They are involved in their community which focuses on their temple. They are developing cultural activities, seniors' activities, and are involved in assisting their total community.

The Sikh population has contributed immensely to the community in Surrey as a whole.

There have been many leadership people in all sorts of community activities from provision of resources to providing recreational facilities, in being instrumental in forming the unions, including the Farm Workers' Union, in developing educational services for the community not just for their own population but for the total community.

They have been social activists in dealing with issues of racism, social intolerance, poverty and housing, all the kinds of issues faced by Canadian families. This is why my community has been so enriched by the presence of the Sikh population.

They have contributed economically to this country. They are hard working people, innovative and involved in the business of creating jobs through the creation of small business. We all know it is the small business person who is the creator of jobs and because of that they have contributed to the economic vitality of this community. In Canada we owe ethnic communities like the Sikh community a great debt.

I am troubled about what is happening in Canada and the implications in what the government is doing. There is a growing sense of intolerance. We only have to look at the issue of wearing turbans in the RCMP. Members on the government side and, unfortunately, some Liberals strongly opposed the idea of a group being allowed to wear a different uniform because of their religion.

We had cuts to the heritage language program and other multicultural programs, including cuts to native cultural and language support services. This means we are saying to one very significant group in our society that we are not prepared to support the continued uniqueness and diversity that allows it to pass on its language, culture, customs and values to the next generation. Unless these are supported and passed on they will die. That is the melting pot. With their disappearance, not only do ethnic or native groups lose, all Canadian society loses.

How dull Canadians would be if their backgrounds were all similar to mine and there was no diversity. I am a person who unfortunately lost the cultural component and language skills of my father. That has not been of

benefit to me and certainly is not beneficial on a Canadian scale.

In conclusion, I think Canadians value cultural diversity. Canadians want this government to support all sorts of programs, including legislation which will ensure that this diversity continues.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I, too, would like to rise to speak to these amendments which would define multiculturalism in the act to mean fundamental characteristics of Canadian society which recognizes the diversity and equality of all Canadians as regards to race, national or ethnic origin, colour and religion, as initially proposed by the hon. member for Vancouver East and today proposed by the hon. member for Kamloops.

• (1630)

As indicated earlier, if we are to recognize and truly accept diversity as a Canadian value, and only then will multiculturalism assume meaning, we have to recognize immediately that there ought to be equality among the diverse cultures and people in Canada.

For the government side to argue, through the parliamentary secretary, that the amendment ought to be rejected because this bill is merely administrative, and not a policy document, is an exercise of a vacuum in logic. Why? Well, if the government were paying attention to its own bill, Bill C-18, it indicates in clause 4, under "Powers, duties and functions of the Minister" the following:

> 4. The powers, duties and functions of the Minister extend to and include all matters over which Parliament has jurisdiction, not by law assigned to any other department, board or agency of the Government of Canada, relating to
>
> (a) multiculturalism; and
>
> (b) citizenship.

I underscore:

> —not by law assigned to any other department.

Clause 5 states the specific duties, and I quote:

> 5. In exercising the powers and performing the duties and functions assigned to the Minister by section 4, the Minister shall
>
> (a) initiate, recommend, coordinate, implement and promote national policies and programs with respect to multiculturalism and citizenship;

For the government to argue that because the bill merely deals with the establishment of a department, that it is merely administrative, and that it is not a policy document, technically the minister may be right. However in substance, the department will initiate, formulate and implement policies. Therefore we cannot divorce policies from the very structure itself. I call the argument and the submission by the government, through the parliamentary secretary, an exercise of a vacuum in logic.

As the member for Winnipeg North, a constituency where 50 per cent are English, the vast majority, and Francophone, a very small minority; and the other 50 per cent represents Canadians of Ukrainian, Filipino, Jewish, German, Portuguese, Polish, East Indian and many other origins, it is natural that I support this amendment to define the meaning of multiculturalism in this bill.

Why will the government surrender clarity for confusion? No Canadian can accept that. Incidentally, citizenship is well known to Canadians since January 1947, when the Citizenship Act has told who and how we become Canadians, either by birth or by choice.

At this juncture, let me remind the government that the Canadian Ethnocultural Council is a non-profit, non-partisan coalition of national ethnocultural organizations, dedicated to working together for the purpose of furthering the multicultural reality of Canada. I remind the government about this because the very essence of this organization is to ensure equality of all Canadians in one united country.

This organization represents the interests and aspirations of some nine million Canadians and the major objective is most laudable, because it is to ensure the equality of opportunity, rights and dignity among all Canadians. Why, then, do I quote and remind the government about the Canadian Ethnocultural Council? It is because this council that has been in the forefront in the establishment of this department. It is this council that recommends to this government that multiculturalism, defined as the fundamental characteristic of our country, be included in the bill.

This council is most knowledgeable and must be listened to. I support its recommendation. Incidentally, this council also has major concerns about the whole thrust of the government's policy and programs for multiculturalism.

On December 20, 1989, in a letter addressed to the Secretary of State for Multiculturalism and Citizenship

and signed by the President of that Council, Mr. Lewis Chan, the Council indicated to the government that it can support Bill C-18 only if substantive amendments are made to it and if assurances are given in the budget that the multiculturalism program will be maintained and strengthened.

Unfortunately, the serious amendments that the hon. member for Vancouver East proposed have been ruled out of order. Therefore we could not debate the substance of the very amendments that the Council would like included in the bill. If the government is truly serious about substance, then it can do the honourable thing: withdraw the bill and start anew so that we will have a bill that is meaningful for all Canadians.

On the second point, in 1988 during the election, the Tory government promised many things to the multicultural community in an obvious attempt to win votes. When it again formed the government, it reneged on its promises. What it means is that either the government has no credibility at all, or it has no credibility in its policy on multiculturalism. I will submit it has neither.

Also, the Council has recommended—I would like the government to listen, Mr. Speaker, through you—that the creation of a ministerial advisory committee be delayed, because this advisory committee will cause the government about $500,000 a year. That money can be reallocated to fund community programs that will mean programs for the communities that the whole policy ought to serve. The Minister for Multiculturalism apparently failed to heed the submissions of the Canadian Ethnocultural Council

On February 21, 1990, a letter again addressed to the same minister and signed by the President of the Council indicates that the Council remains "alarmed" that $23 million were cut from the yearly budget of the Secretary of State for Multiculturalism and Citizenship. What this means is that there will be a decrease in the effectiveness of programming for multiculturalism. Second, the credibility of the policy of this government is thrown into question; and third, the very commitment of this government to multiculturalism seems to have no meaning at all.

The same Council is equally "dismayed" that the government's support for heritage languages schools has been eliminated. When I spoke on this bill when it was debated on first reading, I said that we must enshrine the principles that all our ethnic groups are equal, that all our cultures deserve respect and dignity and that cultural pluralism must receive official support. I indicated as well during that debate that the establishment of a department of multiculturalism and citizenship is an important step in the right direction.

The events that have since then transpired make me question now whether I can continue to give my support to this bill. When a national organization committed to multiculturalism, committed to recognition of diversity in the country and committed to equality for all Canadians makes substantive proposals that this government refuses to accept, even for the amendment on the definition of multiculturalism itself, then I must say that I would find it difficult to continue to support this bill.

I urge, during this period of need for co-operation and national unity, the top-notch issue across the country today, that we accept this amendment so that we can continue to step forward and together, call ourselves Canadians and equal.

• (1640)

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, it is with mixed feelings that I rise to speak on Bill C-18, an act to establish the department of multiculturalism and citizenship.

In the beginning, I believe there was a possibility that it could be a useful act creating a useful department. When we were debating it at second reading, I pointed out at the time that there were serious weaknesses. I hoped that the government would pay some heed to members on this side of the House. I hoped even more that the government would pay some heed to the most interested public groups such as those represented in the Canada Ethnocultural Council, which took the trouble to give its views in a constructive way to the government at the end of last year. However, it seems that the government has decided not to listen to anybody. We hear that the government lead speaker opposes even the idea of putting in a definition of multiculturalism. The amendment that we are discussing would add these words:

"multiculturalism" means that fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians as regards race, national or ethnic origin, colour and religion.

This is the amendment proposed by the member for Vancouver East.

The government has said they reject it and if all the government members follow their bidding then, of course, this amendment will be defeated. I think it is very unfortunate that this government does not want to say that it recognizes the diversity and equality of all Canadians with regards to race, national or ethnic origin, colour or religion. I do not know what their objection is to saying that, but we were given some procedural hair-splitting arguments. I do not know what their real objection is to stating that as the definition of the purpose of this department.

There was no definition in the original bill, which I think was unfortunate. There would be no objection if the government wanted to reiterate the existing definition of citizenship which I think is well established in our legislation. But it does object, and therefore the bill has no basis in definition to which the public can refer. There may be some private meaning that the government will interpret or re-interpret from time to time, but no public meaning to the definition or basis of this department.

It means that the public will not have the opportunity to evaluate whether the department and the minister are doing their job and perhaps to criticize or make constructive suggestions if they are not doing their job. That will not be possible because it is impossible for the public to know, in law, what the job of this department and this minister is.

The idea of a multicultural department could be important. The riding of Trinity—Spadina includes a great many people born in other countries. To name a few of the groups, there are significant numbers of Chinese, Portuguese, Italians, blacks—some born in Canada and some born in other countries— Ukrainians, Lithuanians, Latin Americans and so on. These groups are strongly interested in being regarded on a basis of cultural equality with other Canadians. These groups are becoming very well organized and have been for a long time. Many of them are reflected in the Canada Ethnocultural Council. There is potentially strong and democratic support in these groups and in the council, support for a real program of multiculturalism. That is, if multiculturalism means equal recognition of peoples of different cultures. We do not know what the government means by it although there are some clues that are a little bit disturbing.

Events in the last few months have indicated what the government does not want this department to be concerned with. When there was an attempt to point to the need to refer to racism, that was refused. Somehow or other multiculturalism is to be treated without serious regard to race, and yet the racial disputes in Canada are far more deadly than the disputes among people of the same race but differing in language or religion.

The killings that go on are more with regard to race. The starvation and the poverty enforced on Canada's first nations are according to race, not primarily according to some vague multicultural concept. But the government does not want racism specified.

It also refused the possibility of a monitoring entity, a commissioner. If the government means that it should be judge and jury in its own case, then it still has to answer to the kind of embarrassment that it fell into in the case of the Canadian Indian woman who had to complain to the Human Rights Commission about being mistreated by the Department of the Secretary of State. It would be far better if the Department of the Secretary of State would allow a commissioner of multiculturalism to examine these things directly instead of making it a more arduous sort of appeal.

However, we do get a few clues as to what it is about. According to Section 5 this will provide services for the acquisition and proof of citizenship. That means transferring citizenship from one administrative group to another—no particular gain but there will be an extra public expense because there will be more senior officials required.

It will promote among all members of Canadian society an understanding of the values inherent in Canadian citizenship and encourage participation in the social, cultural, political and economic life of Canada. Again, this is nothing new. It has been a function of the Secretary of State for years. We do not really need another department to do it.

It will promote among all members of Canadian society a greater awareness of their multicultural heritage and a greater understanding of human rights, fundamental freedoms and related values. Now they are

getting close to the point but they do not really state the equality of these cultures and races.

Then in Section 5(2)—and perhaps we have come to the point—the minister may, in accordance with terms and conditions approved by the Treasury Board, make grants and contributions in support of programs and projects undertaken by the minister. There it is, Mr. Speaker, pork-barrelling.

With no criteria, no definition, no standard of judgment to which the public can appeal, the minister can hand out the taxpayers' money to whomever he likes among the so-called multicultural groups. If he says it is multicultural, it is multicultural. There is no definition.

That seems to be what the deal is about, Mr. Speaker, another opening for government patronage. Just to make that clear, there has been a cut of over $4 million in the programs provided for heritage language, one of the most important developments of the last decade or so in many of Canada's cities. That is to be cut back.

Last year 15 per cent was cut from the advocacy groups, including the Canada Ethnocultural Council. The government feels there is an excess of democracy there. The program for citizenship instruction and language training which co-operated with the provinces in providing English and French as second languages and citizenship training has been ended.

Instead we are going to have $1,300,000 for a Heritage Language Institute, and $24 million for a Race Relations Foundation. What will they do? We do not know. Who will direct them and with what principles? We do not know. Who controls them? Who advises them? We do not know.

I am strongly persuaded that the Canada Ethnocultural Council has it right when the president, Lewis Chan, says in his letter:

> I strongly believe that government can get the best advice from democratically elected community groups rather than from persons appointed by a Minister.

• (1650)

It seems that the minister and the government may be afraid of that much democracy. It appears that the whole exercise is not intended to enable minority groups in Canada, first nations, or recent immigrants, to exercise democratic power, nor to assist them. Rather, it is to control them. Father knows best, and multiculturalism will be enforced on the multicultural people to the extent that the government provides money for these top-down programs.

This is all in line with the recent budget which, apart from its very shameful cuts to groups like first nations and to women's organizations, also made some extraordinary increases. It gave a 21 per cent increase to the budget of the Canadian Security and Intelligence Service—$33 million. More than all this multicultural stuff, more than the women's programs, $33 million to CSIS—

The Acting Speaker (Mr. Paproski): I regret the hon. member's time has expired. The hon. member for South Shore.

Mr. Peter L. McCreath (South Shore): Mr. Speaker, I am pleased to be able to join the discussion, but I must say in some respects I am not pleased to be speaking in what seems to me to be an excessively lengthy debate over an amendment. Much of the discussion that I have heard does not seem to bear any relationship whatsoever to the amendment on the floor which has to do with the inclusion of a definition in the bill that is before us.

I am really disappointed that it has taken as long as it has to get this bill through the House. We are not talking about a bill that is momentous in its implications for Canada. That was done when this government, showing the leadership that it has, brought in the Canadian Multiculturalism Act two years ago, setting forth the concept of multiculturalism in Canada, a framework for the basis of a multicultural policy that reflects Canada as it is now and as it has been historically, and a fabric and an ethic for what kind of Canada we are looking towards in the 21st century.

The notion that we should include a definition of multiculturalism in an act which is merely a technical piece of legislation establishing a department, that it can provide a firmer basis for the delivery of that program as set forth in the Canadian Multiculturalism Act, and that we should have nearly a year's delay in the passage of technical legislation of this sort, seems to me to not speak well for those who have caused this delay and who purport to have an interest in the manifestation of the

Canadian Multiculturalism Act as a reality within Canada.

I do not think it necessary at this time to go into detail in describing what multiculturalism is in Canada. That has been done in the bill. Indeed, I look forward to eventually getting to third reading so that I might properly speak to that issue and to the role of multiculturalism.

My point in rising at this time is to encourage all members of the House to recognize that we have a job to do here for Canadians. We have to prepare the structures of the Government of Canada to properly fulfil the terms, reference and intentions not only of the Canadian Multiculturalism Act but, indeed, the intent and implications of Section 27 of the Canadian Charter of Rights and Freedoms.

Therefore, I will not speak at great length at this time. I look forward to coming back at third reading. I would encourage all members of the House to allow this legislation to proceed in order that we may get on in serving the interests of a diverse multicultural Canadian society that will benefit all Canadians and prepare this country for the 21st century.

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I am pleased to speak on this very important issue of multiculturalism, and to support the amendment of my colleague for Vancouver East. The amendment does clarify the definition of what constitutes multiculturalism and citizenship.

As the government members who have spoken have indicated, their party will not be supporting this motion. However, it is curious that during the previous speaker's condemnation of this side of the House, we were accused of impeding this bill. As my colleague, the hon. member for Kamloops indicated, when he led off this debate this afternoon, there was enthusiasm at the beginning of the debate for the general thrust of Bill C-18.

It seemed to be sort of a motherhood issue and it recognizes that Canada is a multicultural society. But at the committee stage there were very real concerns raised, and the enthusiasm at the second reading stage waned. At that stage we had the opportunity to consult with ethnocultural groups that work in the community and they put on the warning lights, the amber lights were definitely flashing.

This motion does clarify the intent of the multiculturalism program, it defines what multiculturalism is and, if I can just read once again the language of the amendments of my colleague, the hon. member for Vancouver East:

> "Multiculturalism" means the fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians, as regards race, national or ethnic origin, colour and religion.

What we have seen over the past months really speaks of the requirement for clarification on definition of multiculturalism. What we are seeing now is an historic reality that has proceeded over time. I can remember, as a student of Canadian history, that racism always seems to go up when the economy goes down.

There are many academic studies that have confirmed that dynamic. It is called "nativism", and it is a sort of turning in on ourselves and blaming the most newly arrived for all problems has proceeded through time in Canadian history. I do not need to remind you, Mr. Speaker, of the kind of racist comments that met the Irish immigrants in the last century or, at the turn of the century, the Ukrainian immigrants who came to Canada and now, most recently, the Sikh and Hindu immigrants who have come to enrich our country. We need a definition of what constitutes multiculturalism and the recognition also of the importance of the words equality and diversity and of why we are what we are in this country.

I have had the opportunity of consulting those people who deal with the multicultural groups in my community, both the director of intercultural association in Victoria and also the immigrant and refugee centre. I think that what we have to look for in Bill C-18 is beyond the rhetoric. It is a nice bunch of words but we can see that the budget gives the real picture of this government's commitment to multiculturalism, and the budget has been cut. It has been confirmed by those people who are working in my community that those budget cuts will affect the work that they are able to do. Therefore, there is an increase in racism. If you marginalize these people, if you isolate them in their homes, if you reduce funds for language training, then these people do not have a voice. They have no ability to get out into the community, to be effective, to get the kinds of jobs, the kind of economic clout that they are striving for, and which this government gives lip service to supporting. It takes more than lip service, it takes dollars, it takes support. The

very devoted individuals in my community are having a great deal of difficulty.

Last year the immigrant and refugee centre in Victoria serviced 350 to 400 families and individuals and tried to incorporate them into the greater Victoria community. These are people who are frightened because they do not understand the language, they do not even understand how to go grocery shopping. Yet these are the people who are affected by these budget cuts. At the same time, it gives the encouragement for those elements in our society to say: "Oh, they are just as bunch of lazy dogs, they do not want to participate in our community". Well, we have to support them if they are going to participate. We have to give them that initial support so they can be full participants in our society.

• (1700)

The racism evidenced by the racist knick-knacks that have been for sale in our country is a result of the budget cuts. This government's lack of commitment to funding for multiculturalism encourages that. We in this House of Commons have to say that we are not standing for that, that we are committed to multiculturalism in Canada, that we applaud the diversity, that that is what has made Canada great. We do not want to go back to the kind of racist history that we have had in our country. We want to go forward.

All members of Parliament have the great privilege of attending citizenship ceremonies. That is one of my pleasures as a member of Parliament. I try to attend as many as I can. As a fourth generation Canadian I took my citizenship for granted until, as an adult, I had the opportunity to travel elsewhere in the world. It was only when I came back to Canada, having been in Africa and Central America, that I realized what a wonderful country we have, what a gift it was to have been born here. Reverence for citizenship is often stronger in the multicultural communities than it is in native born people. I count myself as a native born Canadian. I do not refer to native born in the sense of our Indian people.

That is the kind of program that we have to support. This amendment that my colleague for Vancouver East has put forth really speaks to the need for definition. I wonder why the government is frightened of this definition. Why it is not willing to support what seems to be a very supportable motion which clarifies what multiculturalism is? Is it because there is a lack of commitment to multiculturalism?

Mr. Shields: No.

Ms. Hunter: Is it because the rhetoric is not matched by the real commitment?

Mr. Shields: No.

Ms. Hunter: The government member says no. Well then I challenge the government member and his colleagues to support this motion to give real commitment to Bill C-18. The member says that we have a job to do. Yes, we have a job to do and it is more than speaking a lot of empty words with no action. We need to have action behind our words, otherwise the lack of confidence in the political process that we are witness to now in our country will only increase.

I urge the government members to support this amendment. This is an important amendment. It gives a little more teeth to Bill C-18, and I support it.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is a pleasure to rise to comment on this bill because the multicultural identity of many people in this country is one of the most important aspects of the make-up of Canada and something that we all too often do not adequately focus on in our debates and thinking about this country.

I rise specifically to support the amendment by the member for Vancouver East which says that multiculturalism means that fundamental characteristic of Canadian society which recognizes the diversity and equality of all Canadians as regards race, national or ethnic origin, colour and religion.

Members opposite say that we are dealing here only with a housekeeping kind of bill, that it is an administrative bill which does not require these kind of definitions, that these things have all been dealt with elsewhere and so on.

To me that is a somewhat spurious argument. We are trying to give some substance to a large number of election promises, to commitments that have been made, to an evolution of policy that has been developed over the years. A lot of people had very high expectations

about what would happen when this particular department was established.

It is impossible to separate the kind of definition we are trying to put in place here from the administrative and technical details. Surely, a new department needs a positive statement of its values, its vision, its role and, in fact, of where it tries to take Canadian society. When using a word like "multiculturalism", which may means different things to different people, it is very important to define it.

Second, it is very important in the context of the national debate about what this country really means to us. It is no secret to anybody that we are embroiled with trying to give serious thought to the ongoing nature of our country, to what kind of a country Canada is going to be, to what we want Canada to become, how all Canadians can feel comfortable in this country. We have a committee travelling from coast to coast hearing opinions on what kind of a country we want to have.

Some of the points that were mentioned earlier bear repeating. Surely it is a flawed vision of this country to speak only about French and English Canadians as being the fundamental peoples of this country. Surely the aboriginal peoples of this country deserve recognition constitutionally and in all other ways with regard to our national character. I would hasten to add that the aboriginal peoples feel that they deserve a unique role and a unique voice in Canadian society and are not properly lumped in with the multicultural framework that some people would include them in. I have to say that I agree with that particular point of view. I think they are another distinct group of Canadians that is often neglected.

The whole multicultural aspect of our country bears recognition because it is fundamentally alienating to people who have come from places other than the British Isles or French speaking countries to be talked about in terms of English and French. A lot of the resistance to the constitutional discussions that we undertake in this country comes, in fact, from Canadians whose origins are neither English nor French. It is important to include definitions like this one in the legislation, perhaps in a symbolic way, to give those Canadians the recognition that their very significant role in Canadian society that has not been forgotten and will not be neglected.

I have found that as the whole debate over multiculturalism has evolved over the years we have made progress. I guess that is why I am in some ways disappointed that we seem to be so tentative about the step that we are taking now.

I have spoken to many immigrant people. My own mother emigrated from the Soviet Union at the age of 10. The original immigrants of many communities in Saskatchewan are still there to communicate with. Saskatchewan is the one province where people who are of neither French nor English ancestry are a majority.

There was a real problem in years past in that we did adopt too much of a melting pot kind of philosophy. The cultures, languages and customs that people brought with them from places like Poland, Ukraine, Germany and Scandinavia tended to be scoffed at and scorned, very much in the same way that more recent immigrants experience racism and so on. In those days, however, it seemed to be an official policy of governments to assimilate people and to wipe out the differences of people as rapidly as possible. I think our society lost a lot during that process.

In my own community of Prince Albert the ethnic and immigrant communities have made our life a lot richer. There are 32 groups that belong to the Prince Albert Multicultural Council. They add a tremendous amount to our community. They put on a show called Tapistrama which 6,000 people attended last year. They teach functional English to immigrants to help people deal with the anxieties they experience in trying to come to terms with life in a new country. They lead racial discrimination workshops, work with the citizenship court and sponsor celebrations like Flag Day, Canada Day, Citizenship Week and so on.

• (1710)

It always strikes me as quite remarkable that these more recent Canadians are the ones who remind those of us who have been Canadians much longer about what it means to be a Canadian. They often seem to show a lot more enthusiasm for Canadian life and the meaning of Canadian identity than do some of us.

A lot of the enthusiasm for Bill C-18 has dissipated. We are looking for progress but where is the progress? Last year there was a 15 per cent cut to the advocacy groups for different multicultural organizations. This has meant a serious loss in capacity for those organizations to plan and to support their volunteers with things like phone banks, transportation and carrying on many of the

volunteer activities on which a lot of these organizations are based.

Our organization in Prince Albert was cut from $32,000 to $26,000, a very significant cut. The citizens' instruction and language training program was cut completely. It taught English as a second language on a part-time basis which made it accessible to mothers, people in the labour force and so on. It was a very valuable program. This year $4.1 million was cut from the heritage languages program. Although we now have a heritage languages institute being proposed and a race relations foundation, we see a consolidation of what might be termed bureaucratic institutions, empires if you will, centralized institutions in any event, and a significant cut in activities that give meaning to multiculturalism at the local level. In Ottawa, and perhaps in Edmonton and one or two other locations, we see an increase in activity but in thousands of other communities we see a cut.

When the opposition made constructive proposals in committee, those proposals were ignored. The people who came to the committee, the Ethnocultural Council and so on, to try to give more meaning to this whole exercise were ignored.

This leads me to ask some fundamental questions about where the election promises and the rhetoric are going. Is this government in fact serious about multiculturalism or not?

I believe that this represents a definite lack of vision when it comes to four basic points. One is the demographic challenge that we face in this country. We need more immigrants, as we have been told by many experts, to maintain our economic well-being, our standard of living and so on. Our population is aging and we need more people. We need to participate in the global village. We need to counter racism. We need to give meaning to the constitutional make-up of the country.

Instead, we get a very shrivelled and inadequate version of what people originally expected from this particular bill. Therefore, I urge the government to take seriously this amendment to give some definition to this, to give some meaning to multiculturalism in this country, and basically to put its money where its mouth is.

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

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

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

(*Division No. 251*)

YEAS

Members

Althouse	Angus
Assad	Bélair
Bellemare	Berger
Bevilacqua	Black
Boudria	Brewin
Butland	Callbeck
Campbell (South West Nova)	Comuzzi
de Jong	Ferguson
Fisher	Fontana
Foster	Funk
Gaffney	Gagliano
Gardiner	Harvard
Harvey (Edmonton East)	Heap
Hunter	Jordan
Kaplan	Karpoff
Keyes	Kristiansen
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacLellan	MacWilliam
Manley	Marleau
McGuire	Mills
Nault	Pagtakhan
Parker	Pickard
Proud	Riis
Robichaud	Simmons
Skelly (North Island—Powell River)	Skelly (Comox—Alberni)
Speller	Stupich
Taylor	Vanclief
Walker	Whittaker—58

NAYS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bertrand
Blackburn (Jonquière)	Blais
Blenkarn	Bouchard (Lac-Saint-Jean)
Boyer	Brightwell
Cadieux	Campbell (Vancouver Centre)
Cardiff	Casey
Champagne (Champlain)	Clark (Brandon—Souris)
Cole	Collins
Cooper	Corbeil
Côté	Couture
Darling	de Cotret
Della Noce	Domm
Dorin	Duplessis
Epp	Fee
Ferland	Fontaine
Friesen	Gérin
Greene	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Holtmann
Horner	Hudon
Hughes	Jelinek
Joncas	Jourdenais
Kempling	Koury
Langlois	Larrivée
Layton	Lewis
Littlechild	Loiselle
Lopez	MacKay
Marin	Martin (Lincoln)
Masse	Mayer
Mazankowski	Mitges
Monteith	Moore
Nicholson	Oberle
Plamondon	Porter
Redway	Ricard
Richardson	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Soetens	Stevenson
Tétreault	Thacker
Thompson	Thorkelson
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van de Walle	Vincent
Weiner	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Wilson (Etobicoke Centre)	Winegard
Worthy—100	

• (1750)

The Acting Speaker (Mr. Paproski): I declare the motion lost.

Hon. Don Mazankowski (for the Prime Minister) moved that the bill be concurred in.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: On division.

Motion agreed to.

[*Translation*]

The Acting Speaker (Mr. Paproski): It being 6 p.m., this House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 5.56 p.m.

HOUSE OF COMMONS

Thursday, May 3, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages, the government's response to 35 petitions.

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

* * *

HOUSING

PUBLIC HOUSING PROGRAMS

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, between 1949 and 1985 the federal government developed a supply of over 205,000 public housing units which form an important part of our social safety net. Public housing provides low-income individuals and families with decent, safe and affordable shelter. The average family income of residents in this kind of housing is about $11,000 a year.

The federal housing agency, Canada Mortgage and Housing Corporation, in co-operation with the provincial-territorial housing agencies, has recently completed an evaluation of our public housing portfolio. For the first time we have detailed, accurate assessment of the conditions of Canada's public housing stock and the conclusion is that over all this stock is in good condition.

Perhaps more important the evaluation report indicates that the vast majority of the tenants in public housing are generally satisfied with their residences and that their housing conditions have improved since moving into their current dwellings.

[*Translation*]

Nevertheless, there is room for improvement in some areas and we must see to it. The public housing stock is a very valuable asset for the country and must be preserved.

[*English*]

The 4,800 projects completed under the public housing program over the past 40 years are home to almost a half million low-income Canadians. Federal and provincial governments currently spend over $800 million a year in subsidies on this important program.

[*Translation*]

The evaluation report concludes that the housing stock is generally in good condition, but repairs must still be made where necessary.

[*English*]

Some of the projects could benefit from redesign and redevelopment. As well, there is room for improvement in some property management practices to better meet the challenges of an aging portfolio and, finally, the report notes the potential for promoting a greater resident involvement in management of their own housing.

In the months ahead, I will be discussing these and other issues with our provincial and territorial colleagues and other interested parties as part of this consultation process.

This program evaluation is an important tool. It is important to take a step back and take a hard look at the performance of our programs from time to time.

The release of this evaluation report sets the stage for future policy consultation with public housing residents, provincial and territorial housing agencies, municipal and regional housing officials and the public in general.

[*Translation*]

This consultation process will bring out a whole range of opinions and viewpoints and will help ensure that the public housing program continues to meet the needs of low-income people.

• (1110)

[*English*]

The publication of this report is a further example of the federal government's commitment to providing effective management of our resources and ensuring that Canadians are well housed.

We are working to meet the challenges not only of today but that of the 1990s and beyond. Out of this process, I hope that not only will we be able to improve the public housing that we now have, but perhaps, and hopefully, we will be able to utilize these resources to increase the total stock of housing perhaps in some co-operative and joint ventures with the private sector.

I am looking forward to great things from this consultation process. I am sure that all Canadians are as well.

Mr. Joe Fontana (London East): Mr. Speaker, I thank the minister for his statement, but it is becoming quite clear and, frankly, quite boring to listen to this minister make all kinds of flowery pronouncements about housing with absolutely no substance, answers or action.

It is clear that when a government lacks initiative, interest, commitment and vision, it calls for more surveys, studies and evaluation. In short, it wants to consult more. What this country really needs are answers, not more questions.

While an evaluation of this kind is valuable because it examines the concerns and the opinions of the people who use the public housing programs, it is always necessary for the government to listen to feedback from the very people the government is trying to help. An evaluation of the quality of the housing stock is also necessary to know if the program is meeting the needs of Canadians by providing adequate shelter.

What this evaluation lacks, however, is an evaluation of the adequacy of the public housing program itself. For the past year, Canadians have been inundated with information about the spiralling costs of housing and rents and the appalling lack of affordable housing.

Provincial and municipal governments, public housing authorities, non-profit and co-operative groups, the private sector, not to mention the thousands of Canadians in waiting lines, want action, not more studies.

We have heard the minister's sob stories before about how the finance department and the finance minister have cut his budget and the housing programs. The end result is that we are getting less action on housing today, not more.

What has the government's action been thus far? The elimination of the RRAP program, that very program which assisted our aging stock of housing; less social housing units; less co-operative housing units; a cap on the multiple unit construction prices; and, finally, higher interest rates which will be the death-knell to housing construction totally.

When is this minister and his government going to get off their duffs and stop talking about the housing problems and start acting to solve these problems? Why will the minister not convene a national housing action conference involving all sectors and all governments to deal with this crisis in housing? How can we all work together to solve and meet the challenges of housing for our people today and tomorrow?

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I find myself almost becoming embarrassed for the Minister of Housing. Canada has a growing crisis in affordable housing and the minister is giving hollow, inane platitudes of self-congratulation about what this government has done.

He talks with pride about the development of 205,000 social housing units in nearly 40 years. That amounts to 5,000 units a year. He does not even have the nerve to talk about what has happened since 1985 when this government abandoned its commitment to social housing.

Most industrial countries have 25 per cent of their housing stock in non-market housing. Canada has 4 per cent. Even Hong Kong has 40 per cent. He brags about a family income of $11,000. He brags that this is the family income of people in public housing. He should be ashamed.

He talks about promoting greater resident involvement in the management of their own housing. The best way to promote management in housing is make it possible for people to own their own homes. Restore the co-op housing program that has been slashed from 5,000 units down to 17. That is how people would be involved. They would be involved, if they could afford to buy a house or live in a co-op.

The minister states that this report is going to ensure that Canadians are well housed. What garbage. This report is going to do nothing. Unless this minister is willing to stand up and do something about high interest rates which have brought housing construction to a crashing halt in this country, unless he is willing to do something about providing adequate housing on government lands instead of talking about affordability as $175,000, unless he is willing to do something about the speculators in the housing market, which he talked about when he was a back-bencher and has abandoned, and unless he is willing to restore the social housing programs and particularly the co-op housing programs, his statements are totally hollow.

What I think is necessary is the evaluation of this government's commitment to housing Canadians. I think it would be frightened to undertake that kind of an evaluation because I am sure it would show it wanting.

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INTERPARLIAMENTARY DELEGATIONS

PRESENTATION OF FIRST REPORT OF CANADA-JAPAN INTERPARLIAMENTARY GROUP

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, pursuant to Standing Order 32(1), I have the honour to present to the House, in both official languages, the first report of the Canada-Japan Interparliamentary Group.

This is a report of a working visit to Tokyo, Japan, April 8 to April 14, 1990.

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

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COMMITTEES OF THE HOUSE

COMMUNICATIONS AND CULTURE—THIRD REPORT OF STANDING COMMITTEE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, pursuant to Standing Order 108(2), I have the honour to present, in both official languages, the third report of the Standing Committee on Communications and Culture.

STRIKING—THIRTY-EIGHTH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the thirty-eighth report of the Striking Committee. If the House gives its consent, I intend to move concurrence in the report later this day.

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

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

MEASURE TO CHANGE NAME OF CONSTITUENCY FROM ELGIN TO ELGIN—NORFOLK

Mr. Ken Monteith (Elgin) moved for leave to introduce Bill C-298, an act to change the name of the electoral district of Elgin.

Mr. Speaker: Shall the hon. member shall have leave to introduce the said bill?

Some hon. members: Agreed.

Mr. Monteith: Mr. Speaker, I rise in this House today to introduce a private member's bill. The purpose of this bill is to change the name of the Electoral District of Elgin to Elgin—Norfolk.

Should this bill pass, the change would better reflect the make-up of my electoral district, which includes Elgin County and the Township of Norfolk.

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

* * *

[*Translation*]

STRIKING COMMITTEE

ADOPTION OF 38TH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, if the House agrees, I move the adoption of the 38th report of the Striking Committee, which was presented earlier today.

Motion agreed to.

• (1120)

PETITIONS

TAX BENEFITS FOR NORTHERN AND ISOLATED AREAS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, pursuant to Standing Order 36, I am tabling petitions from Lebel-sur-Quévillon and Chibougamau, further to the recommendations of the Task Force on Tax Benefits for Northern and Isolated Areas.

The signers ask the government to maintain the tax benefits for isolated communities north of the 49th parallel.

[*English*]

GOODS AND SERVICES TAX

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I have two tax related petitions that I would like to table with the House. They are both certified correct. One concerns the goods and services tax, the grief and suffering tax. Petitioners from all parts of Canada call upon the government to reject this most regressive tax and bring in a fair tax system.

NORTHERN TAX ALLOWANCE

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, you will recall that members of this House were presented with a report last October on the Northern Tax Allowance. These petitioners from the Robson Valley in my part of British Columbia, call upon the government to reject that most unfair report and to bring in positive recommendations regarding a northern and remote tax allowance.

RIGHT TO LIFE

Mr. Gus Mitges (Bruce—Grey): Mr. Speaker, I am pleased to present petitions with the signatures of 3,236 nurses, doctors, medical staff and concerned citizens from across Canada, united in their belief that nurses should have the right to choose not to participate in abortion for reasons of conscience or religion.

All the petitioners oppose the taking of precious human life through abortion and call upon Parliament to enact legislation prohibiting discrimination in employment, disqualification or coercion of nurses who refuse to participate in abortion for reasons of conscience.

GOODS AND SERVICES TAX

Mr. Jim Karpoff (Surrey North): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present a number of petitions relating to the government's unfair tax system. The petitioners state that the government has not addressed the unfair tax system currently in place which permits wealthy individuals and corporations to pay little or no federal tax, while forcing lower and middle-income taxpayers to bear more of the national tax burden. They call upon this government to abandon its current goods and services tax proposal and bring in tax reform.

VIA RAIL

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I have the honour to present a petition today, pursuant to Standing Order 36, the subject of which is VIA Rail cut-backs. The petition is signed by a number of Canadians. They call upon Parliament to urge the government of Canada not to cancel, in whole or in part, rail passenger services in Canada, and they cite a number of reasons for that.

GOODS AND SERVICES TAX

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, pursuant to Standing Order 36, I have several petitions relating to the implementation of the goods and services tax from people all the way from Ottawa, Hull, Gloucester, London, Brantford and Kamloops, pointing out that this goods and services tax does not relate to people's ability to pay, that it is regressive, that it has not addressed the unfairness in the present tax system and implies that if that unfairness was addressed the present tax system would go a long way toward curing the financial ills of the government.

The petitioners decry the fact that the government is going to be taxing reading, haircuts, diapers, home heating fuels, many of those things which ordinary Canadians simply are not able to sustain because of their lack of high income. They call upon the government to bring in a tax system that is fair, progressive and not regressive, as the GST is.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: 247, 258 and 264.

[*Text*]

OPEN SKIES CONFERENCE

Question No. 247—**Mr. Boudria:**

1. Were there any costs to the government arising from the Open Skies conference held in Ottawa in February, 1990 and, if so, including preparatory costs, in total, what were they?

2. Were any vehicles bought by the government for the conference and, if so (a) what number (b) at what cost (c) from whom (d) what process was used to choose a supplier (e) are they being used now and, if so (i) for what purpose (ii) by whom?

3. Were parkas purchased for the conference and, if so (a) what number (b) from whom (c) at what cost (d) in what way was a supplier chosen (e) were any parkas purchased but not given to foreign dignitaries and, if so, were they given to anyone else and, if so, to whom?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport), Deputy Leader of the Government in the House of Commons and Deputy Speaker and Chairman of Committees of the Whole House): I am informed by the Department of External Affairs and the Secretary of State as follows:

1. An amount of $5,240,00 was allocated for the Open Skies conference. Invoice are still being received and the final total of expenditures will not be known until all financial transactions are processed.

2. No vehicles were bought by the Government for the conference. Please refer to reply to question No. 241 answered March 7, 1990.

3. Parkas were purchased for the conference (31 parkas @ $397.00). They were purchased from Polar Parkas (P.O. Box 1385, Yellowknife, N.W.T.) since they were the only supplier that could promise to meet our delivery deadline. Parkas were given only to foreign ministers (and their accompanying spouses). The SSEA bought and paid for a parka for his personal use.

ISLAND OF ST. VINCENT—PROJECTS

Question No. 258—**Mr. Laporte:**

Since 1975, has the government provided funding to any projects on the island of St. Vincent and, if so (a) which projects (b) in each case, at what expense to the government?

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport), Deputy Leader of the Government in the House of Commons and Deputy Speaker and Chairman of Committees of the Whole House): Yes. I am informed by the International Development Research Centre and the Canadian International Development Agency as follows:

Since 1975, the International Development Research Centre has financed two research projects on the island of St. Vincent.

a) The first project was funded in 1982 for a period of 9 months. Its objective was to analyze the determinants of migration from St. Vincent, and to assess its social and economic impact at the household level in St. Vincent. The second was funded in 1983 for a period of 24 months. Its objective was to strengthen the socioeconomic information system and documentation centre of the island's Ministry of Finance, Planning and Development, as a member of CARISPLAN. The project's grant was shared between St. Vincent and the Grenadines.

b) Each project amounted to $39,000 and $81,430 respectively.

Yes, the Canadian International Development Agency (CIDA) has provided funding to projects on the island of St–Vincent.

(A) PROJECT TITLE	DATE	(B) CIDA BUDGET ($)
Kingstown Port Master Plan	1989	50,000
Diamond Industrial Estate	1988	3,636,400
Fisheries Development—Phase I	1987	4,975,000
Forestry Development	1986	4,520,000
St. Vincent Forestry—Special Administrative Expenses (SEA)	1985	10,633
St. Vincent Fisheries Feasibility—SEA	1985	106,281
St. Vincent Canada Fund 89 / 90	1989	125,000
St. Vincent Canada Fund 88 / 89	1988	275,558
St. Vincent—Mission Administrated Funds (MAF) 87 / 88	1987	299,999

(A) PROJECT TITLE	DATE	(B) CIDA BUDGET ($)
St. Vincent MAF 86 / 87	1986	249,631
St. Vincent MAF 85 / 86	1985	189,368
MAF 84 / 85	1984	217,409
MAF 83 / 84 & Prior Years	1983	957,020
Industrial Estates Feasibility Study	1984	164,000
Cumberland Hydro	1984	11,400,000
Road Materials	1980	249,000
Agriculture Revolving Fund Study	1980	11,500
Arnos Vale Air Terminal Bldg.	1974	698,408
Water Spare Parts	1973	61,700
Water Development—Phase II	1973	2,400,600
Line of Credit—Equipment	1971*	358,000
Teachers Education	1971*	193,500
Training—Engineering Tech.	1971*	87,000
Training—Economics	1971*	87,300
Technical / Vocational Education	1971*	217,500
	Total :	31,540,807

* Projects started before 1975 but ended after that time.

N.B. : Funding of activities in the Special Programs Branch is more and more of the "core funding" variety, ie., that the destination of the monies is recorded in the name of the various organisations and institutions, not individual projects. The same is true for funding to the Multilateral organizations.

JOSEPH ELIE LTÉE

Question No. 264—**Mr. Edmonston:**

Is the government aware of a sale by Petro-Canada of a division of the company in Montreal, called "Joseph Ellie" and, if so (a) to whom is the division being sold (b) what is the purchase price (c) is the sale on (i) a cash basis (ii) a debt basis (iii) some combination of the two (d) are any other terms and conditions associated with the sale and, if so, what are they (e) has Petro-Canada required any guarantees of the purchasers with regard to job security, benefits and other terms of employment of the employees at Joseph Ellie and, if so, what are they?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Petro-Canada reports as follows:

The sale of 50.1 per cent of the shares in Joseph Elie Ltee was announced to all Joseph Elie employees on December 29, 1989 and concluded on January 1, 1990.

(a) The purchasers were ex-employees of Petro-Canada Inc. An appraisal was made of the management capabilities of these individuals.

(b)-(d) Information concerning the purchase price is private to the parties involved in the transaction. The purchase was not financed by the Government of Canada nor by Petro-Canada. Normal commercial financing was arranged independently by the purchasers.

(e) Employees have kept their jobs, have continued at the same salary levels and enjoy a similar benefits package to the one in which they previously participated. The only exceptions to this were three existing employees, two of whom accepted positions in Petro-Canada and the third who elected to accept an early retirement arrangement.

[*English*]

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 196 could be made an Order for Return, the return would be tabled immediately.

Mr. Speaker: Is it the pleasure of the House that Question No. 196 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

NATIONAL ACTION COMMITTEE ON THE STATUS OF WOMEN

Question No. 196—**Ms. Mitchell:**

For each year since 1975, has the government provided grants or contributions to the National Action Committee on the Status of Women and, if so, in each case (a) what amount (b) under which programs (c) what proportion of that year's annual operating budget of the committee did the sum represent?

Return tabled.

[*English*]

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

Mr. Speaker: The questions as enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

[*Translation*]

PRIVILEGE

PROPER DRESS CODE AND MEMBER FOR DAVENPORT—SPEAKER'S RULING

Mr. Speaker: On Monday, February 19, the hon. member for Davenport raised a question of privilege because he had not been recognized in debate the previous Thursday, February 15, when the House was considering the motion of the government on language rights. At the time, the Acting Speaker declined to recognize the hon. member for Davenport because he was not properly dressed.

[*English*]

The hon. member has asked the Chair to reconsider its reliance on the traditional interpretation of the practice of the House that required male members be dressed with jacket and tie. In making his case, the hon. member pointed to the latitude accorded women members who can dress, as he put it, "in a variety of ways according to fashions and changing trends".

The hon. member also quoted the Deputy Speaker who, last December 14, referred to Beauchesne and the practice that members are expected to respect in terms of their appearance. The hon. member stressed, however, that this is a practice and not a rule. This is certainly true, but it is a practice that is well established.

Exceptions have been allowed from time to time, but always within the context of the accepted practice. Clergymen members have requested the right to wear their distinctive collar instead of a tie and members who have sustained an injury have asked to be excused from the wearing of a jacket or a tie for short periods of time when it was not possible because of the injury. In this connection I would point to the recent cases involving the hon. members for Humber—St. Barbe—Baie Verte and for Trois-Rivières.

Such exceptions, as I have said, have proved the practice. There have been statements from the Chair supporting the usual practice for more than 60 years and I do not feel that as Speaker, I can disregard this practice.

[*Translation*]

If the practice is to be changed and if the hon. member for Davenport wants to see it changed, I would urge him to press his case with the Standing Committee on Elections and Privileges. That committee has the power to inquire into the rules and pratices of the House and can make recommendations to change the rules and practices as they think fit. The House can then determine whether or not such recommendations should be adopted. The hon. member may wish to consider this approach.

[*English*]

I regret that I am unable to find that the hon. member has a valid question of privilege.

[*Translation*]

The Acting Speaker (Mrs. Champagne): I wish to inform the House that because of the minister's statement, the time allowed for Government Orders will be extended by 10 minutes beginning at one o'clock this afternoon.

GOVERNMENT ORDERS

[*English*]

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

Hon. Gilles Loiselle (Minister of Agriculture) moved that Bill C-15, an act respecting plant breeders' rights, be read the third time and passed.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I am very pleased to rise again to speak to this bill. Plant breeders' rights in Canada has received a lengthy and detailed study by the legislative committee. I understand that the committee has met at least 15 times, talked with representatives of 16 organizations, and received more than 100 written submissions. I believe that the committee has heard all of the significant arguments for and against the legislation.

It is important to note that the organizations which represent the vast majority of those who will be directly affected by plant breeders' rights support this bill. These include the Canadian Federation of Agriculture, one of Canada's largest farm organizations, and the Canadian Horticultural Council. Several helpful suggestions were made and incorporated into the bill to improve this legislation which already enjoyed wide support. As a result, we feel that Bill C-15 is even more beneficial for Canada.

• (1130)

During second reading it was pointed out that this bill was drafted to conform to the international convention for the protection of new varieties of plants. As amended, the bill still conforms with the convention. Also, at second reading, reference was made to the 18 members of the International Union for the Protection of New Varieties of Plants. While our consideration of this bill continued, Poland has joined and I hope this bill will become law soon so that Canada may become the twentieth member of this union.

The committee hearings re-emphasized the anticipated benefits from this legislation. One important benefit is the stimulation of plant breeding efforts in the public sector which include Agriculture Canada and the universities. As we have heard, this is a high priority for crop and seed producers. It is also important that we encourage the private sector to invest in plant breeding. By allowing reasonable royalties we will give the private breeders incentive to invest in this kind of work.

The Canadian agriculture industry is also expected to benefit from this bill through improved access to foreign varieties. The producers of strawberry plants, seed potatoes and numerous other crops will also be able to choose from these many new varieties. In addition, this legislation will help Canada control the use of our new varieties abroad, generate royalties and increase export opportunities.

There were concerns expressed at the committee hearings that this legislation could have adverse effects. It was suggested that plant breeders' rights could encourage monopoly control of the seed industry and that it would remove or promote the use of chemicals in production, that it would have an adverse effect on the Third World and that it would open the door to patents on life.

I should like to respond to each of these points. As far as monopoly control is concerned, there is already provision in the Competition Act to prevent monopolies. Within the plant breeders' rights bill the compulsory

licence provision will prevent restrictive distribution practices. However, there are other major factors that will work against monopoly control in the Canadian seed industry. For one thing, there is the supply of varieties from public plant breeding programs, and there is the production and marketing of seed by farmer co-operatives and hundreds of seed growers.

On the second point, this legislation has no direct impact on agri-chemicals. The trend today is to only use chemicals in specialized situations where there are no alternative production techniques. The move to sustainable agriculture will also encourage the development of varieties which will resist pests and the breeders of such varieties will be rewarded under this legislation.

As to the effects on the Third World, plant breeders' rights in Canada will only impact on our foreign trade with other countries with similar legislation. This does not include Third World countries and furthermore, very few varieties adapted for Canadian conditions would prove useful in Third World countries.

Finally, by choosing to introduce this legislation specially designed for plant varieties, rather than amending the Patent Act, it can be argued that we are actually moving away from life patenting. Future developments in the patents are a separate issue and it has taken many years for plant breeders' rights legislation to come this far. I might say that many other governments have introduced legislation very similar to what we are proposing today.

The legislative committee has studied the technical details of the bill in great depth. They have reviewed the wording and have made some amendments which improve and clarify how the Canadian plant breeders' rights system should function. I congratulate the legislative committee on the thoroughness of its work.

We have heard from producers and their organizations. We feel that they need this legislation and they need it now. I am very hopeful that this House will pass this legislation very quickly and that it will become law in the very near future.

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, it is a pleasure to rise today and speak on Bill C-15, an act respecting plant breeders' rights.

As many of us know this is a bill that has been in and out of this House in different stages and different times for close to 15 years. I think it is time that it has finally reached third reading stage and I would like to make a few comments on that.

It has been a controversial bill and still is in many peoples' mind. However, as the previous speaker has said, the legislative committee had lengthy discussions. Many groups and individuals appeared before us. We had a good study but, like any bill, even though it is at its final stage, there could be further improvements in order to dispel some concerns that some people might have.

However, as one who has been very actively involved in the agri-food industry at a different level than at the present time, I feel very strongly that this bill is needed by the industry.

We had a good study in committee. I feel we strengthened the bill. We got further interpretation and definition of such terms as reasonable price and distribution. At report stage, we got agreement on the fact that there shall be an advisory committee. Previous to that there was a concern that it should only be may, and some of us felt very strongly about that. We were pleased that the amendment put forward by my colleague from Algoma, that there shall be an advisory committee, was adopted in order to keep the commissioner and the minister up to date on concerns.

Other worth-while information that came out in committee in order to dispel concerns of some people was a memorandum of understanding between Consumer and Corporate Affairs and Agriculture Canada. I would like to read from one part of that memorandum as follows:

> 1. Ag Can will consult with CCA on all matters related to the administration of the Act which may be of concern to CCA. More particularly, with respect to the regulations and procedures to be approved under the Act, Ag Can will consult with the Bureau of Policy Coordination to ensure consistency with other intellectual property legislation and will consult with the Office of the Director of Investigation and Research under the *Competition Act* on issues related to competition policy.

There are more sections along the same line that I feel will go a long way toward comforting people with concerns.

A concern related to by the previous speaker was the concern that this may narrow the control of plant genetic material to multinational organizations or firms. I would like to make the House aware that the plant gene resources centre under Agriculture Canada has some 90,000 assessions which are genetic pieces of material, plants, varieties, et cetera, that are totally available to anyone in the world at no cost so they can use them if and when they wish in order to develop a new plant variety. There is no possibility of this being withheld from anyone who wishes to use the genetic material for further plant breeding. This is only one in the chain of these types of facilities that are available throughout the world.

While there are some groups and individuals who oppose this bill, there is a long list of supporters. They include the Canadian Federation of Agriculture, the Canadian Horticultural Council, the Canadian Ornamental Plant Foundation, the Ontario Agricultural Commodity Council which represents some 20 commodity groups in the province of Ontario, Potatoes Canada, the pulse growers' association, SeCan, the United Grain Growers and the Western Canadian Wheat Growers Association. Some of these organizations have some qualified concerns and most were looked after in committee. The university institutions are in favour of this as well.

When we look at global trade today there is one important way in which we can take part in that trade to the best of our ability, and that is to be competitive. I feel that the passing of this bill will put our primary producers and the total agri-food industry in a much better position to be more competitive throughout the world.

• (1140)

Farmers are concerned that it may increase the cost of seed to individual producers, because of the royalties they might have to pay. I can tell you from experience that, if a certain seed company comes out with a new seed, a hybrid or a variety of horticultural trees or plants, that the bottom right-hand corner of my balance sheet as a producer may not be everything, although in reality, it goes a long way.

If this new variety will allow me to produce more food at a cheaper price per unit so that the consumers, not only in Canada but throughout the world can have a safe, healthy food product at a lower cost I, and other producers, are prepared to pay a little bit more for that root stock, seed or plant in order to propagate further plants of that variety.

A few years ago, I would have had more concern about the passing of this bill. Today, with the concern being voiced in the agricultural community and in our society in general about the environment, food safety and all these things, I feel that this bill is probably needed more than ever because we must realize how and why plant breeding is done. It is done not only to produce increased yields, but in order to produce safer products, and a more financially sustainable industry as far as the environment is concerned.

Now the market is being driven, and producers are looking for varieties of crops, trees and plants that do not require the use of pesticides as they did in the past. Producers are the first group of people who want to get away from that type of thing. We must have the legislation in place that will encourage plant breeders to develop those types of varieties and species. They need that encouragement. It is not a process that goes through without the expenditure of large amounts of money, and there must be a way for producers to recover at least part of the expenditure. I am not as worried about it as I was in the past. I think it is necessary in order to encourage this type of activity at the present time.

In closing, I believe very firmly that in Canada we want to help other countries of the world so that they can become more self-sufficient in food. We must encourage them to produce for their own people a safe, sufficient quality of food. We cannot do that unless our own agri-food industry is sound environmentally and economically. I feel that this bill definitely will help our agri-food industry to go in that direction, and that, even though there may be a few concerns about something that hypothetically may happen as a result of Bill C-15, the advantages of this bill far outweigh any possible disadvantage that there may be.

I encourage the House, as the previous speaker did, to pass this bill as soon as possible. After 15 years in the House of Commons at one stage or another, at one time or another, I think it is time for us to complete the work that we have to do on this bill.

Mr. Vic Althouse (Mackenzie): Madam Speaker, I rise to speak at third reading of Bill C-15, an act to introduce a form of plant breeders' rights to Canada.

The previous two speakers have indicated that this proposal has come about after a fair length of time, however, I would argue that, just because the proposal has been on the block for 15 years and has been rejected for 15 years, by age alone that does not suddenly make it a good proposition.

I think there are a number of technical, ethical, moral and international considerations to be dealt with here but, for some simplicity, let me simply constrict my remarks today to what I see this bill doing.

To me and I think to a lot of other analysts, it does change the power structure that exists in the market. It is a fairly fundamental shift. The seed industry across the globe is becoming controlled more and more by a very few multinational corporations. The seed industry is fairly big business, even in this country. More than $400 million annually is expended by farmers for seed, seed stock and nursery stock to get the crops that we eat and produce fibre with, and also those crops that we look at and enjoy, such as flowers and shrubs.

There is over $400 million a year expended in our country alone, a very large market. The trade in new varieties has gone on between Canada and the developed world in the past by a simple expedient of contract law. A seed company or an individual in this country would sign a contract with a developer outside of the country, and agree to pay them for the use of their seeds. There is nothing particularly wrong with that system, except that a lot of the other developed countries have an even better deal going. Within their law, they have developed plant breeders' rights or plant patenting in some countries which permits the developer to have a much cheaper way of enforcing the contract.

Essentially, with this particular law coming into effect in Canada, a foreign developer of a seed makes a contract with a seed producer or a seed seller in this country. If the contract is broken and the royalties for the use of the seed are not forwarded out of the country, he does not face an expensive legal process under contract law to collect those fees.

This proposal changes that quite considerably in favour of the developer in that he simply has to go to the court and ask that the payments be made. The law is much strengthened on his or her behalf and on behalf of the company, and the extraction process is much cheaper from a legal viewpoint. If that was the end of it, the debate would probably have petered out fairly quickly.

However, when we look at other developed countries in western Europe and south of our border in the United States, which has been going this route much further and much faster over a much longer period of time, we find that that is not the end of it. There is always more being demanded, and we are getting very close on the U.S. side to slipping into the whole process of patenting life.

Much has been made by the previous two speakers of the alleged support of the various farm groups and farm organizations. The hon. member for Prince Edward—Hastings pointed out that a lot of those supporters had conditions on the support. I just want to take the most moderate of the various groups that were mentioned, the Canadian Federation of Agriculture, and go through for just a moment, the conditions that they posed on this legislation to show that the committee met virtually none of their conditions. Yet we are hearing that it was support from the Canadian Federation of Agriculture that led to the caving in on the Liberal benches of some, what I perceive to be, anti-C-15 speeches at second reading.

• (1150)

The CFA, I recognize and they recognize, have some problems. The view of plant breeders' rights legislation varies throughout the farming community. The nursery and horticultural side of the industry that is producing flowering plants and items and have to respond very quickly to new colours and new shapes would like to have a freer exchange and access to material from Holland, Europe, and the United States, where a lot of money is expended on this kind of horticulture.

For the reasons I outlined at the beginning of my remarks, there is some hesitancy and reticence on the part of those countries to put material into Canada without having an easy way of collecting the royalties because the user in Canada might not live up to the contractual agreement.

Canada is simply not permitted to have those new varieties which are propagated by Americans and Europeans. They are shipped into Canada for purchase by the

consumer who is particularly interested in having the very absolute latest rose and tulip.

There was an effort in the committee to separate those kinds of needs from the food needs of the agricultural industry because there is some hazard in permitting food crops to become subject to a monopoly or patent right under this type of legislation. We are already seeing a tendency to monopolies in the seeds industry and this simply allows large multinational corporations to extract larger and larger profits from the industry.

The CFA provided as one of its conditions that Bill C-15 must continue to exempt farm-saved seed from royalty payments. It is crucial to farmers that this exemption be retained so that they will have secure access to an alternate source of low-cost seed. There was no change to the way the legislation is written. As I recall, it is left to the discretion of the commissioner who administers the bill, but what creates some concern was reiterated by the farmers' union in their brief, and that is seed costs at the farm. They note that there has to be some choice permitted to farmers to use their own farm-saved seed.

I point out two instances where other countries' experience gives them some reason for a certain amount of alarm. In Great Britain, for instance, we were told that such farm-saved seed is exempt as long as it is cleaned on the farm. However, if the cleaning at the farm level is done by a portable seed-cleaning plant—which are used in this country as well—there would have to be another payment of royalties for the cleaning of the particular variety of seed even though it was produced on the farm and was going to be reused on the farm.

There was some hesitancy on the part of farmers to get started in this particular process, knowing that once begun, Great Britain began to put further conditions on their farmers.

I point out that as we move to the goods and services tax, grain cleaning charges for custom use will be something on which we will have to pay GST. There will be bookkeeping done. It will be very easy to monitor those items so the administrative framework for permitting the companies to collect royalties on farm reused seed will be there.

As well, I point out a quotation from Dr. Hans Leenders, the Secretary General of the International Seed Trade Federation based in Switzerland, who in a speech in May of 1986, quoted in *Seedman's Digest* a U.S. publication, stated that he was taking the point of view of a seed developer, being a third generation owner of a seed business.

He was pointing out the need by the seed trade to be able to collect royalties on seeds that were grown on the farm and were going to be reseeded on the farm. This is part of what he had to say:

> As a matter of fact the freedom to do in one's own house/company is not absolute. Clandestine alcohol, fire arms, drugs production even for one's own need and quite some other things are in most countries prohibited.
>
> Plant reproductive material has increasingly become a technical product in which money has been invested. Even though it has been a tradition in most countries that a farmer can save seed from his own crop, it is under the changing circumstances not equitable that farmers can use this seed and grow a commercial crop out of it without payment of a royalty.

I think it is fairly clear where the international seeds industry is trying to carry us. While this legislation and this commissioner tell us there is no intention of permitting royalties on seeds that are grown on the farm and reused on the farm, the seeds industry is pushing beyond that.

I submit and remind you that it was the seeds industry that pushed Canada and the Department of Agriculture into adopting a plant breeders' rights mode in the past 15 years and are succeeding here today.

This should not in any way be construed to be the final step. It is only the very first of many steps that the seed industry has in mind to take Canada's legal system and its ability to extract royalties and profits from the $400 million worth of seeds that are used in this country.

I said I was going to be going through some of the conditions that the CFA laid down. I pointed out that the first one was that seed saved by farmers must continue to be exempt from royalty payments.

The second condition was that the bill also make provision for compulsory licensing, with the objective of ensuring that a protected variety is made available to the public at reasonable prices. That reasonable price protection is left completely to the judgment of the commissioner. There is no protection in this legislation other than the good judgment of the current and future commissioners, so that can change at any time at the whim of the commissioner and the sitting minister of agriculture. There is no guarantee that compulsory

licensing will be available so that producers of basic food will have available varieties at reasonable prices.

Another condition that the Federation of Agriculture had as a requirement of its support was a sunset clause after 5 or 10 years. This is not particularly radical. It is the kind of thing we see in the Canadian Bank Act. We have given the banks an extreme privilege to run the banking system in our country with very little supervision. They have very near monopoly control of the financial institutions. In return this House, and this and all future and past governments, have reviewed the act and privileges granted to financial institutions every 10 years. One of the reviews is to be done this year for the past decade.

• (1200)

Third, the privilege proposed for seed development companies is very similar in that it is a monopoly kind of power granted for up to 17 years. The CFA is well within its rights to suggest that a sunset clause be included so that after 10 years a full review of the activities of seed companies under this act could be conducted by the House of Commons and the Senate and a decision made as to whether to continue those powers, to restrict them, or perhaps to extend them. It was turned down by the government, yet it was one of the requirements of the CFA on its conditional acceptance of Bill C-15.

The fourth condition supported for plant breeders' rights, provided there will be proper examination under the provisions of the Competition Act, is to look at mergers and acquisitions to determine what effect the mergers would have on competition in the seeds industry. We did not get a response to that. What we got was a letter from the Department of Consumer and Corporate Affairs to the Department of Agriculture which indicated that they would have an interest in that sort of thing and an apparent agreement that the Department of Agriculture would keep them informed to the best of its ability as to mergers and expansion in the seed industry.

The final condition the CFA placed on conditional support for Bill C-15 was that it wanted a clear expansion of public research into plant breeding programs which would result in an increase in publicly bred varieties available to farmers and in the number of person years and amount of financing in those programs.

This legislation contains no such guarantee. We have no such guarantee required from this minister or any future minister of agriculture, or this government or any future government.

The public breeding program of this country has been extremely useful and helpful in keeping Canadian farmers competitive. In fact, it was the public plant breeding system that made western Canadian agriculture competitive at the turn of the century. It was the central breeding program of the Department of Agriculture at its station in Ottawa that produced the wheat varieties which permitted Canada to become competitive on a quality and quantity basis in world markets.

It is the same public breeding program, through the Department of Agriculture and through assistance from various universities, that keeps us competitive and ahead of the game. I would point out something that I raised in the House a few months ago to show that we are competitive.

In trials in North Dakota, publicly bred varieties from Canada topped all of the test trials. The private plant breeding companies from the United States and Europe could not, and did not, produce varieties that could compete effectively against our own. We will not see a huge improvement to the Canadian plant breeding industry as a result of this legislation. What we will see is some breeders of plants who propagate material either as registered seed growers or as horticulturalists having easier access, they think and hope, to some European and American varieties. I think that contract law would have looked after that quite well and I regret that the government has caved in to international pressure, a form of hijacking by international seed corporations, to propose this law when the existing law protected the producers, the farmers, and consumers much better than this one will.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I would like to remind the hon. member who just spoke that he was referring to the Canadian Federation of Agriculture. At report stage I read into the record a letter to the Minister of Agriculture dated April 23. I am quoting from the letter again: "We should point out that many of the caveats which our organization has had with respect to plant breeders' rights have already been addressed directly in the bill by the committee amendments or by

other means, example Treasury Board, Agriculture Canada agreements".

So those concerns of the Canadian Federation of Agriculture have been taken care of.

I would also like to point out that farm-saved seed is not protected under this legislation if it is to be used on the farm. The legislation only applies to seed that is sold, and the farmer can save his own seed without payment of royalty.

Mr. Althouse: Madam Speaker, I know that. I pointed out in my speech that in both the British and European cases farm-saved seed was exempt and now the seed industry is trying to get it included. In fact Great Britain is moving in that direction. I point out to the minister that once you begin caving in to these series of demands you will never meet all the requirements of the international seed industry. They will ultimately end up continuing to get their way. We have begun a process here that can only be more expensive for farmers and can only reduce the number of choices they have available at the farm level.

I also want to point out that I was very careful in going through the original requirements that the CFA had in its brief to the committee and I think I did a fair and objective analysis. If they changed their mind in a letter afterward that is their business, but I reiterate that the bill and the committee did not meet those five conditions.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I think the hon. member for Mackenzie did an excellent job of outlining some of the technical impacts of the bill. I wonder if he might expand on his concerns with regard to the monopoly control by seed and chemical companies that might well flow from this particular legislation.

Mr. Althouse: Madam Speaker, some of these concerns are not just the United Church and NFU myth that the hon. member for Kindersley—Lloydminster points out, but are also concerns of the Canadian Environmental Law Association and a number of private analysts who look at the way corporate power in the world operates. The way multinational corporations function, including multinational seed corporations, is to gain full control and reduce the surprises in other national markets. That is what they are trying to do, and succeeding to do, in this country with plant breeders' rights. They are establishing the same kinds of rules that they have in most western European countries and in the United States. Our law to this point in time is not quite as broad as the access in some countries, but it is getting there. They know that once they start, they can broaden it. They have got the door open and now it is just a matter of pushing it all the way.

• (1210)

The way for seed companies to achieve profits has been to be acquired by either pharmaceutical companies or oil and chemical companies. If you do an analysis of the largest seed companies in the world, you will find that they all have those kinds of connecting interlinks and connections. Those are the companies that provide the pesticides and fertilizers for our crops. It is generally seen that the kinds of programs that they are embarked upon for looking for new varieties tend to search for varieties that will tie in the use of their chemicals or their fertilizers as well.

You see a big expenditure in looking for atrazine resistant crops. You see programs to utilize the chemicals that they have so that the farmer is not only going to want to buy the seed, but he will be forced to buy the chemical because the seed will not work without the chemical. There is an interdependency link there. It is simply a good economic and business kind of linkage that is now being reinforced by the laws of this country.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, as you will probably recall, at second reading I made an intervention on this bill quite at length. Today, I will limit my remarks to a brief intervention.

First I would like to explain to those who are watching this debate on TV that what we are debating here today is in essence the rights respecting breeding plants on the part of those who are interested in this particular human activity. Basically, we are discussing whether these rights should remain in the public sector where they have

mainly been in the past or whether these rights should be circumscribed, restricted and be given in the form of a monopoly to mostly multinational companies that have a particular interest in this matter.

We are dealing here with something that nature has given to humanity to deal with and how these plants, which have become the object of economic activities, mostly for the production of food throughout the world, ought to be managed. The meaning of the bill, although "plant breeders' rights" sounds very technical, is one that addresses a very broad, human activity in all parts of the world and which so far has been the domain of mixed enterprise activities, both in the public and private sectors.

It is regrettable that the number of those supporting this bill is increasing between second and third readings. It is regrettable also that this is taking place within the context of a broader debate, namely that of sustainable development which is now more and more at the centre of policy discussions throughout the world, particularly in the northern hemisphere. This government has, theoretically at least, embraced the notion of sustainable development by way of high sounding declarations. When it comes to the crunch and the practical application of sustainable development, it falls flat and regresses to a role of preaching highly, but acting with no regard to its own preaching. That is unfortunate and highly regrettable.

I must say that the Minister of Agriculture is a great disappointment in this respect. He has in a number of statements expressed himself in favour of sustainable agriculture but when it comes to the crunch, as in the case of Bill C-15, he was not able to deliver. On the contrary, he is now embracing an activity and moving a measure through this House which will contribute to corporate concentration in agriculture which is opposed by most, if not all, NGOs active in international development aid. It is a measure which would also contribute to the gradual increase in seed prices and possibly eliminate certain breeders on a small scale. It would increase the profits on the part of multinational corporations, particularly those interested in pesticides, and I will come to that in a moment. It is a measure that is likely to give, but we do not know yet, a monopoly for certain forms of genetic life.

This is a trend that I must object to once again and express regret that this measure will go through this House. I had hoped that the government would reconsider. While regrettable, it is no wonder that the Conservative Party supports this measure. It believes in reducing the public sector interest, it believes in increasing private sector activities and it does not seem to be worried in the least about further concentration of multinational corporate power. It seems to be blissfully oblivious of that very important aspect in contemporary economic trends.

The bill, as I mentioned already, goes to the heart of the concept of sustainable development. It is a bill that probably can be defended on the terms of enhancing agri-business but it certainly does not enhance the activity of farmers, particularly the small ones, when it comes to their specific interest in relation to their agricultural life. I will be more specific on that in a moment.

I must stress the fact that from my understanding of the world picture, genetic resources essential to world agriculture are increasingly controlled by multinational corporations and new crops are being developed for economic reasons. This includes higher yields, uniformity, stability and needs of transportation. This includes Third World development which is interested in the protection and preservation of smaller-scale farming and becomes shifted as a background or as a secondary preoccupation.

What this bill does is reinforce the trend in favour of monocultures with all the inherent consequences in terms of insect devastation which accompany intensified monocultures. It will reinforce chemical agriculture and will reinforce private control of this precious and, I would think, very public resource which is called the seed or which is called the plant for purely economic and profit reasons. With this legislation, the knowledge shifts to become an industrial secret and the research then no longer becomes accountable to the public but to corporate interests and to considerations related to profit making. *The Economist*, which cannot be accused of being a socialist, wide-eyed publication states: "Chemical companies have spent $10 billion or so in as many years buying up seed companies world-wide."

• (1220)

The companies listed in that 1988 issue of *The Economist* are, Pioneer Hi-Bred, Sandoz, Dekalb-Pfizer, Upjohn, Limagrain, Shell Oil, ICI, Ciba-Geigy, Orson and Cargill, to mention the world's largest companies in the business of seeds. Seven of these 10 companies, it must be stressed, are also involved in crop chemicals. That is an important linkage and it must be seen, if the government is there to protect the public interest. It is a linkage which must be kept in mind to understand the implication of this measure that privatizes plant breeders' views and rights.

With this measure, the trend in privatization will escalate because I am told that more than 50 per cent of seed research and development, within private industry, is focused on building the tolerance of new seed varieties to higher and higher concentrations of agricultural chemicals, produced by the very same companies and that is where the link emerges. Canadian farmers, most likely, in the long term will be asked to pay the cost of these royalties which they do not pay right now.

The second impact of this legislation is that it would have the impact of limiting sustainable agriculture. Here I am referring to the fact that, increasingly, organic farming is being seen as one way to reduce the effects of the current financial and environmental crisis in agriculture. Farmers feel, and the public also shares this view, that the health of consumers, the environment, the health of livestock and the family farm members is better protected through organic rather than through chemical farming.

Once this bill becomes accepted and, unfortunately, I can see now that this is going to be inevitable, organic farmers and converting farmers will not be able to get the seed varieties they need because these varieties are likely to be reduced by the decisions made by this monopoly that will emerge in the long term. We have no assurance and no guarantee at all that the varieties will not be reduced. What will be the determining factor will be the resistance and the capacity of seeds to thrive and produce on the basis of pesticides and chemical fertilizers.

Another important argument which must be stressed again is that of equity for the developing world. With this measure, we notice that the Third World will have to buy seeds from the north. A number of countries have already adopted this type of legislation, so we are just following, at the tail end, a trend which is regrettable.

The Third World consumer of seed will buy seeds from the north since the genetic resources on which the seeds are based have been taken, for the most part, from the Third World without compensation. That trend flies in the face of what sustainable development also implies, namely, introducing some basic fundamental and major elements of equity between the north and the south.

These are the main reasons on which the arguments rest in opposing this particular measure. It is regrettable that it has been brought so far. Yes, there were amendments in committee; there were also five motions, at the report stage, of which one was adopted. But, these changes did not change the main thrust of the bill itself.

They were marginal and of very limited consequence and impact. For these reasons I indicate my opposition to this measure because the committee process did not come to grips with the main thrust, particularly the one that will give to large monopolies and multinational corporations a much greater power on this natural resource than has been had so far.

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, I would like to make a brief comment about sustainable agriculture and the hon. member's remarks toward the Minister of Agriculture.

I want to remind the hon. member that in his government in 1982 the Hon. Eugene Whelan introduced legislation almost the same as what we are dealing with today. I know he supported the legislation and it was unfortunate that it did not pass at that time because we would have been much further ahead today.

I want to point out that Bill C-15 supports sustainable agriculture. For example, I refer back to the speech I gave about breeding programs on about the last sitting day of the House last June. I was very involved in this because I was chairman of a marketing board at that time dealing with the matter.

There was an outbreak of anthracnose in white beans in 1977. You can control anthracnose but there are many, many strains. This was a delta strain that we happened to

get. Where it came from, I do not know, but we had it. You can breed resistance to these different strains.

There are up to 24 different strains of anthracnose in white beans. It can be controlled with a chemical. At that time we worked together with Agriculture Canada and were able to use a chemical in the interim to keep seed production and export markets which were very, very necessary. We used the chemical for two years so we would have seed to plant. We could not obtain seed which was clear and free from the delta strain of anthracnose.

Within two years of working with the public and private sector and the plant breeding programs we developed a strain resistant to the delta strain of anthracnose. That has happened many times in the white bean industry.

I believe that Bill C-15 does support sustainable agriculture. I give that example because it has worked extremely well in the past and I am sure will work well in the future.

Something similar has happened to canuck wheat where resistance has been developed in breeding programs rather than using chemicals. The mood in the agricultural community is to move away from the use of chemicals as much as possible. I do not believe it is something which can be legislated totally, but we have to reduce the amount of chemicals in use. The will is there for that to happen.

We talk as well about the developing world and Third World countries. Many seeds produced in this country would not be available or would not grow in Third World countries. We can still assist them in many other ways with available programs.

I would love to take the member to visit the gene resource centre in Ottawa, not only to look at the seeds stored there but to meet with the people who operate the centre. I am sure he would feel differently about what we are doing for Third World development and the storage and preservation of seeds from all over the world. We store them here and in other places. I have visited the centre and it certainly gave me the assurance that we can do more for Third World countries by doing things like that. I invite the member to visit that gene resource centre and would be very happy to go there with him if he would care to do so.

We also hear about increased cost. Since 1953 the cost of living index in West Germany has risen by 122 per cent. The wheat seed in that country and for the same time has risen 29 per cent. That is not inflationary. Why should it be any different here?

Mr. Caccia: Madam Speaker, the hon. member invites me to visit the gene resource centre. I would be glad to do that but this is exactly the point that concerns me, because the passage of this legislation and the role of the public sector through Agriculture Canada will be limited and eroded over time.

• (1230)

It will be this type of activity to maintain the gene pool that will become more and more the domain of the private sector.

The hon. member is basing his argument on the reassurance that he gets from visiting this centre, and I am glad that he does, but he does not seem to look at the future and as to what will happen once this legislation is in place and becomes implemented over time. It will mean a reduction of the public sector and the promotion of the interest from a public perspective, rather than from the perspective of multinationals.

Coming to the other point the hon. member made, it is distressing to learn that most of the multinationals which will benefit from this measure are in the chemical fertilizing business. I recited their names to him. I would like him to focus on the fact that that is the major activity of some of these multinationals today.

Why would they be interested in the seed business, if not for the promotion of products which they are manufacturing at the present time? Evidently, there is an obvious link. That cannot be denied. I wish that the hon. member would have addressed that particular linkage.

As to the legislation introduced by a former Minister of Agriculture, what the hon. members says is true. Nobody claims that governments are perfect. It was a measure that was introduced long before—and this is my main point—sustainable development became an agreed upon policy focus for the global community. To be precise, it dates back to April, 1987. It was only thereafter that the concerns of sustainable development and how to apply the concept—not just to agriculture, but

also to energy, and not just to waste management, but to broader environmental issues—has become in some cases, as in the case of the Government of Canada, the embraced theology.

We are not the ones who have embraced sustainable development. It is the government to which the hon. member belongs that has embraced that theme, and quite rightly so. But it does so only in theoretical terms. When it comes to the crunch and to the practice on energy measures, it ignores sustainable development and efficiency. When it comes to agriculture, as in the case of this bill, it ignores its own declarations.

Hon. Bill McKnight (Minister of National Defence): Madam Speaker, I listened with interest to what my colleague from the Liberal party said.

I am sure he is aware that with this legislation 60 per cent of the royalties that are collected will be returned to the public research domain for agriculture. It is a very unique step taken on behalf of this government, and supported by Treasury Board, to allow that form of return to take place in public research and development. I think he would probably like to applaud the government for that.

His concern about sustainable development is well understood. With this legislation, those varieties and those seeds that will allow agricultural development to take place without the use of agricultural chemicals will be further enhanced. But this myth about a chemical company or a seed company that is continually referred to by the hon. member and his colleagues in the New Democratic Party and some outside sources has yet to be proved as fact.

Mr. Althouse: No.

Mr. McKnight: It has yet to be proved as a fact that there is a commercial product available which, when combined with the seed, is the only way that the product will grow, or the only gene variety that can be assumed to be used by a chemical. That is a myth. It has not been done by research yet.

The second myth has to do with there being a correlation between plant breeders' rights and monopoly control. If the hon. member and members of the House will look to the Netherlands, which has had plant breeders' rights since 1941—almost 50 years—they will see that there are 983 companies in the Netherlands involved in seed trade and research and development. That could hardly be called a monopoly after 50 years.

The other thing that the hon. member should be aware of is that in the United States, after 50 years, over 40 per cent of the seed trade is done by small independent businesses. It is not done by the large multinationals which purportedly have a monopoly, but by small independent businesses. Again, the multinationals are in competition with one another after 50 years. There is not one that has taken over, or two. There are still seven or eight involved. I do not understand this fear.

Mr. Althouse: Read a paper on monopoly sometime.

Mr. McKnight: The hon. member refers to reading a paper. His source is a weed farmer by the name of Moody who has been around this since 1979—

Mr. Althouse: Go to any economics library and read about oligopoly.

Mr. McKnight: Prior to 1979 when the Hon. Eugene Whelan brought forward, on behalf of the Liberal government of the day, plant breeders' legislation. The Hon. John Wise in 1979 brought it forward. Now we have it here, finally. I am very pleased to have it finally concluded for the benefit of agriculture, for the benefit of the environment and for the benefit of the people of Canada.

Mr. Caccia: I would applaud the government on the question of royalties if the percentage were 95 per cent. That would show real concern for the public interest. When it is divided in the manner that the Minister of National Defence just outlined, it reinforces the notion that something is happening here at the expense of the public interest. Otherwise, the public interest would be better reflected in the distribution of royalties.

As to the frequent reference on our part to multinationals which are in the area of chemical fertilizers, something the minister calls a myth, *The Economist* analysed the situation in an article printed in one of its publication. The source is a pretty solid one. It is where the names of these companies were brought to the attention of the public. I am sure this does not come as a surprise to the minister. I am sure that he knows that in the past so many years chemical companies have spent

$10 billion, as reported by *The Economist*, in buying up seed companies world-wide.

Therefore, I would ask him to give us a better explanation of that trend. Are they doing it because all of a sudden they have become benefactors of humanity?

The Acting Speaker (Mrs. Champagne): I see the hon. member for Kingston and the Islands is rising. The time for questions and comments has expired.

I realize that both sides are now engaged in quite an interesting debate, which is what debate should always be in this House. I am quite prepared to let it go sometime longer, if I have unanimous consent.

I saw that the minister was rising and was prepared to answer. I am also prepared to recognize the hon. member for Kingston and the Islands, if the hon. member for Davenport agrees as well.

An hon. member: No!

The Acting Speaker (Mrs. Champagne): Resuming debate with the hon. member for Prince Albert—Churchill River.

• (1240)

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it is a pleasure for me to participate in this debate at the third reading stage having participated in it at second reading.

I realize that there have been a few changes made to the proposed legislation as a result of the committee study. Essentially, we are still talking about the same fundamental issues that we were involved in then. That has really not changed.

I find it somewhat ironic, however, that something that has changed is the position of the Liberal party. That is not surprising since it was the original intention of the Liberal party to introduce this legislation under the Hon. Eugene Whelan about 10 years ago. At second reading we had the distinct impression that speakers for the Liberal party were in fact opposing this legislation for some very good reasons. Then, in committee, there seemed to be a softening of that position. Today, we have had speakers from the Liberal party speak on both sides of the issue.

Therefore it is somewhat confusing for the public and hon. members to determine what in fact the position of the Liberal party might be on some of these very fundamental questions.

I think it is impossible to separate the question of plant breeders' rights from the general trends which we see in agriculture, in rural Canada and in this government's approach to those issues.

Over the last number of years—certainly since the election of this government—we have seen a strong tilting away from involvement of the public sector in all aspects of the economy. Certainly, agriculture has not escaped that trend.

We saw it in large measure in large initiatives such as the free trade agreement, which represents a massive retreat on many fronts from public sector involvement. We also saw it in smaller instances, for example, the removal of oats from the jurisdiction of the Canadian Wheat Board. We saw a backing away from support for rural communities through the cuts of the government to the branch-line abandonment program. There are many other kinds of initiatives which this government has taken which really represent a fundamental shift away from public involvement in the economy.

In fact, that was a stated goal of this government when it was elected. In spite of its attempt to make it look like an incremental kind of movement it has been a steady movement, one which I think has started to present us with some trends that are clearly identifiable, trends which I think all Canadians can recognize.

I think part of those trends has been to make us more subject to pressure from international corporations, the whole multinational corporation structure that is more and more dominating the economy of the world. It is certainly dominating the agricultural economy.

Where have we seen that lead us in the province of Saskatchewan, my home province? We have seen an agriculture economy that has literally dived into the tank in the last number of years. We see farm foreclosures in record numbers. We see despair in the farm community, something that in my years of experience in the farm community I certainly have never seen before.

I had the opportunity to visit a farm community in southern Saskatchewan over the weekend. The people there were telling me that in the whole trading area for a town of about 500 people there were only three young families that have taken over farms in the last five or six years in that community. There is no way that three families on farms will be able to support a rural population in a community like that.

Right now we have seen a triple whammy, if you will, that has been directed at the farm community in Saskatchewan and, indeed, western Canada. We have seen the initial prices for grain come out at a drop of 12 per cent over what were already unacceptably low price. These are prices at which farmers can no longer afford to produce grain. These prices are no accident. They are part of the same trend that we see here in the plant breeders' rights legislation. They are part of the abandonment of the farm sector to control by corporations like Cargill and its equivalents around the world.

The second aspect of what has hit the farm community in the last very short period of time has been the rise in interest rates. In conjunction with that, the government has used its own lending agency, the Farm Credit Corporation, to inflict those same unacceptably high interest rates on farm families. It is ironical that an arm of the government that was originally intended, as I understand it, to provide long-term financial security to the farm sector by allowing farmers to borrow money at rates that could be sustained by farm operations should itself become a leader in increasing interest costs to farmers. This is making it more and more impossible for them to conceive of any future for themselves. It certainly discourages any young families from starting farming.

There is a story going around the farm community about a farm family being convicted of child abuse because it turned over the family farm to its children.

The third in this series of blows that has been inflicted on the farm community is the ping-pong game, the game of chicken that is being played between the federal government and provincial governments with respect to the payment which was promised to farmers to help them with their spring seeding. Clearly, we in the House have heard a whole series of announcements, a whole series of commitments and promises.

First, we were told by the Minister of Agriculture that there would be money in the hands of farmers before seeding time. As we got through January and February there was some backing away from that position. Then there was a definite promise that there would be a formal announcement of what kind of a program there would be, including who would get money and so on, before seeding time, certainly by the middle of April. Then we got into a very unseemly pushing match between the federal and the provincial governments. In spite of all those commitments we still do not have an announcement.

Piled on top of the high interest rates and the lower initial prices, we have federal and provincial governments still at odds over who shall pick up the cost of this program. This leaves farmers in the same vulnerable position *vis-à-vis* their financial situation as they were before. In fact, it might be even worse because with the passage of time decisions that need to be made are being increasingly delayed. The longer those decisions are delayed, of course, the harder it is to plan a farming operation for the future.

In this context I might add that the federal government says it cannot afford to compete with the treasuries of Europe and the United States. The provincial governments say they cannot afford to compete with the treasuries of Europe and the United States. Who is left competing with the treasuries of Europe and the United States? The farm families of Canada. Surely, their depleted bank accounts are the last place we can expect to find the financial muscle to compete with the treasuries of Europe and the United States.

Turning to the legislation before us, what is clearly at issue is that this particular legislation continues a trend that we have seen toward increasing control of the agriculture sector through the corporatization of the agriculture sector both now and into the future. There is a rapid increase in that kind of trend. I think we are on an exponential kind of curve where things that might now look fairly innocuous could very rapidly turn into much larger problems in the near future.

Some of the fundamental issues that remain at stake when we look at plant breeders' rights involve the concentration of corporate power and the relationship of that corporate power to the seed breeding and seed production industry.

We have heard about how seven out of ten of the major companies that are producing seed in the world are pharmaceutical and chemical companies. This is no accident. It is clear that these companies see a link between the chemical business and the seed production business. There is no reason for those links to develop without some expectation that they will be profitable to these companies.

• (1250)

We have seen a rapidly increasing concentration of power among those chemical and pharmaceutical companies. In the 1970s, there used to be 30 companies in the business of producing crop chemicals. We are now down to 12. The industry itself expects that by the turn of the century there will be only six of those kinds of companies left.

As the Minister of National Defence indicated, six or seven companies in a business does not represent a monopoly. Surely, that represents an oligopoly which amounts to much the same thing. It makes them vulnerable to the same kind of activities we see in the oil and gas business where there are regularly allegations of price fixing and so on.

Having only six or seven companies in a particular type of enterprise, especially when they are operating world-wide, leaves the whole business open to abuse, price-fixing and the development of trends which clearly will not benefit the thousands and thousands of small producers, especially the seed distribution companies that are relying on those companies for plant breeding.

Another issue is the access to seed varieties and the cost of seed to farmers. The hon. member pointed out that the pressure for this particular development has come from the large seed companies. Certainly, part of the agenda of those seed companies is to gain a larger share of control of the seed business. It is not hard to extrapolate that the day is rapidly coming when they will want to extend the need to pay royalties for the grain that farmers raise on their own farms which they hope to use for seed.

Those kinds of trends are already evident, for example, in Great Britain and other countries that have brought in this type of legislation. That would take away a very important source of seed for farmers across this country.

When it comes to cost, it erodes the contribution of the public at large to the costs of breeding and developing seeds in this country. The Minister of National Defence pointed out that as part of this legislation 60 per cent of the royalty payments will be returned to public plant breeding. However, it should be noted that that 60 per cent will no doubt replace money that is then cut in subsequent budgets from the general revenues of the government.

What will end up happening is that the rapidly diminishing number of farmers in this country will bear more and more of the cost of seed breeding and genetic development, while the public carries less of the burden. Surely, if we look at the income projections for farmers and farm families in this country, there is no good reason why those costs should be shifted so massively from the public sector to that very narrow base of financing which they provide. After all, the public at large benefits from the ongoing development of a healthy agricultural economy.

A second point that should be made with respect to plant breeding in this country is to remind the government of the old adage that if it ain't broke, why fix it?. We have had a very successful record of plant breeding. Plant breeding in Canada is held up world-wide as one of the most successful plant breeding systems in the world. The wheat and canola varieties that we have developed over the years have been world leaders in productivity and resistance to disease. It is clear that public plant breeding has more than demonstrated its worth. I found it interesting that the parliamentary secretary, who I believe is from Huron—Bruce, pointed out an example of successful plant breeding with regard to beans. That breeding was carried out under a public plant breeding program, which demonstrates again the relevance and the utility of a public plant breeding program in this country.

I think it is interesting to note as well that when major trials were undertaken in the state of North Dakota, whose growing, soil and economic conditions are very similar to the province of Saskatchewan, the publicly-bred varieties from Canada consistently out-performed those bred by private breeders from south of the border and from Europe. What we should be doing is giving a strong endorsement to that public plant breeding system,

rather than undermining it by introducing this legislation at this time.

The whole concern about where we are heading in the area of sustainable development is intensely relevant when it comes to this debate. We have seen the number of varieties of many types of crops around the world shrinking consistently. I refer to varieties that have been used on a large scale commercial basis. Corn and barley varieties are much smaller in number than they used to be.

It is quite clear that a healthy ecosystem requires many varieties of seeds to be used that are relevant to particular areas of the world and particular areas of the country. If we do not have that, we can become much more susceptible to different types of diseases and insect infestations and so on, which can wipe out large areas of our agriculture. This could have a large scale impact on major crops. The only way to avoid that is to ensure that there are large numbers of varieties that keep on being bred for particular conditions.

Placing more and more control in the hands of large multinational corporations which have only an interest in cutting down dramatically on the number of varieties is not good. The efficiencies of scale which make it possible for those companies to operate and which give them any kind of advantage at all requires that we limit the number of varieties that are available to as small a number as possible.

I would like to conclude by saying that I am concerned about the fundamental issues involved here. This legislation is another step on the road to corporate concentration in the whole agricultural field. The fundamental issues as I see them include the access and cost of seed to farmers, the impact on sustainable development and the undermining of the public sector involvement in the whole field of agriculture.

We in this party certainly believe that a modern, efficient farm sector based on the family farm model requires that we support public sector involvement, especially in an area as sensitive as the genetic strains that produce our seeds, which in turn produces our food—the life forms that we have in this country.

Therefore I urge the government to reconsider this legislation, even at this late stage. I urge Canadians to recognize the impact and to turn back the clock to a time when we were looking at agriculture as something that required a significant commitment from the public sector. We must not abandon the family farm and the future of agriculture to the private sector and large multinational corporations.

The Acting Speaker (Mrs. Champagne): Are there questions or comments? The hon. member for Mackenzie.

Mr. Vic Althouse (Mackenzie): Madam Speaker, I note that the cost of enforcement of this particular piece of legislation has been raised once or twice today, rather obliquely. It occurs to me that perhaps the hon. member for Prince Albert—Churchill River might want to comment on the assertion from the government benches that this is a much more equitable way and that there was no other means of permitting the trade of plant varieties from one country to the other.

• (1300)

I point out to him something that I am sure he realizes. About two-thirds of the field crops which are sold in this country are sold as certified seed. Under our Seeds Act this requires that they be field inspected and subjected to an inspection at cleaning and bagging when they have a seal put on them. For most of the field crops that were grown in this country, there was really no big problem in getting contractual arrangements to test American or European-developed seeds. He has already pointed out that they do not do particularly well in western Canada, at least with his reference to the results in North Dakota.

Perhaps he could expand on his comments about the nature of international oligopolies where only a few very large firms control the trade from one country to another. They did not seem to think that this sort of contractual arrangement which, because of the power and requirement of the Seeds Act to have field and seed plant inspections, verifying how much seed of a variety was grown, made it very easy for the original developer to collect its royalty. Why are we abandoning that perfectly workable system for international purposes to go beyond? Does he think that these companies have much more at stake than just making it easier to shift varieties from one country to the other?

Mr. Funk: Madam Speaker, I thank the hon. member for his question. He points out an element of this whole question of "If it ain't broke, why fix it?" The person here is only speculating, but I think that one of the reasons is that we are looking at trends here and so on.

The companies that are now pushing us down this road of plant breeders' rights and taking control of the seed industry also see some profitable aspects for themselves in controlling the inspection and contracting the inspection process. It makes it much easier for them to do some of this on an internal basis than it would otherwise be.

As we move farther down the road, the cost will increase rapidly for the kind of inspection and monitoring processes that we are going to have to put in place. As there becomes a larger and larger financial stake which these companies have in what particular seed is grown on what particular kind of farm, we will have to look at new compliance kinds of measures because the pressure will increase to implement measures that will ensure that every last dollar is wrung from the farmers when it comes to production of their crops and the provision of that seed.

Mr. Althouse: Madam Speaker, I wonder if the hon. member would care to comment on some testimony that was presented at committee stage from the Canadian Council for International Co-operation in a brief prepared on their behalf. They point out on page 2 of that brief dealing with plant patenting that in a few decades we have moved from intellectual property over plants to the patenting of micro-organisms and animals. Human cell lines and foetal tissue are not patentable in some countries. Recent European Economic Community and U.S. proposals either propose no upper limit to the patenting of life forms or draw the line only at the point of slavery. He spoke a little bit about trends. Some of those countries have moved very strongly in that direction.

I would close my comments by pointing out that in 1987 this particular group stated in its brief: "The U.S. and Japan proposed in 1987 that failure to provide patents be regarded as a non-tariff barrier to trade in the GATT round." This is the GATT round that we are currently in. "The U.S. went so far as to call upon countries to patent everything, including food, in their diplomatic note on this issue."

I wonder if he would care to comment on the assertions from other corners of this House that such things are simply guesses at the future when we have these kinds of proposals before international bodies by countries at the international fora.

Mr. Funk: Madam Speaker, I would like to again thank the hon. member for his question.

As I said in the summation of my speech, what should concern us more than any other aspect of the legislation before us is the whole trend toward the patenting of life forms and the type of road that that takes us down. Surely there has to be some line drawn between where the community and public interests are clearly dominant, and not to be tampered with, and where activities that are carried on for private profit and private decision are made.

When we start extending those kinds of lines farther and farther in the patenting of different kinds of life forms, genes and so on, we are on a very slippery slope. The member is quite right to point out just how far on that slope we are has been clearly demonstrated at the GATT negotiations where the United States and Japan tried to lump in the patenting of life forms, food and so on with things like copyrights, television shows, intellectual property, the patenting of bicycles and automobile parts.

There is a line that needs to be drawn between life forms that we all depend on that are part of our ongoing existence and what is engaged in for private gain. The kinds of demands that have been made at the GATT negotiations are an indication of how far some countries have gone down this path. With the introduction of this legislation here and the closeness to which we are at passing it, we are just capitulating to a trend that we should be most actively resisting. The trend raises all kinds of moral and ethical questions besides the ones that we have raised in the context of agriculture and so on.

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 1.10 p.m., I do now leave the chair until two o'clock.

At 1.10 p.m., the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

S. O. 31

STATEMENTS PURSUANT TO S. O. 31

[*English*]

SCHIZOPHRENIA

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, it is appropriate today to speak of schizophrenia during National Mental Health Week. Schizophrenia strikes 1 per cent of the population and is a major illness in Canada. It takes up 6 per cent of hospital beds and costs over $3 billion annually in health care costs. Federal funds for research for this dreadful disease are less than $3 million annually.

Recent research in Canada has shown that schizophrenia is a biochemical brain disease in part caused by a genetic disorder. The quality of the research in Canada is outstanding, in spite of the low funding. Based on the progress that has been made in recent years, the chances of breakthrough are very good.

Because there is such a stigma attached to this illness, relatives and friends have provided support mostly in silence, hoping that a cure could be found. Now that this possibility appears achievable in our lifetime, this government should begin to make more of a commitment to research of this terrible disease.

* * *

[*Translation*]

COLLÈGE MONTMORENCY IN LAVAL

Mr. Jacques Tétreault (Laval-des-Rapides): Mr. Speaker, ten years ago, a group of students at the Collège Montmorency, which is in my riding, were made aware by their teacher, Serge Masse, of the widespread poverty in Haiti, aggravated by the aftermath of Hurricane Allen.

The students spontaneously took up an initial collection, followed by several more, which finally led to the students Haiti project. As part of this project, a group of students from the college went to Port-au-Prince, to work in two aid centres in 1982 and 1984-85, for periods of respectively three and four weeks.

In 1986, three students founded the organization *Jeunes sans frontières*.

This year, thanks to substantial assistance from CIDA and the participants' own financial contribution, eight students will spend eight weeks in Burkina Faso, in Africa, to become familiar with social, cultural, political and economical realities in developing countries in the Third World.

Mr. Speaker, I say three cheers for the students at Collège Montmorency in Laval!

* * *

[*English*]

INDIAN AFFAIRS

Mr. Ross Harvey (Edmonton East): Mr. Speaker, largely because of this government's mean-spirited and persistent refusal to deal justly and fairly with a small Cree community in a remote settlement in northwestern Alberta, Canada now stands dishonoured before the world.

For more than 50 years the Lubicon Cree have been seeking a treaty settlement from the Canadian government sufficient simply to allow them, to the degree possible, to continue with their traditional way of life and, to the degree necessary, to build the required community infrastructure that may enable them to cope with technological culture we have thrust upon them.

For more than 50 years they have received nothing but delay, denial, deceit, and destruction.

Now the Human Rights Committee of the United Nations has determined the Canadian government's treatment of this small, embattled band to be unacceptable.

There is only one solution: the government must immediately resume negotiations with the Lubicon people, in good faith and without preconditions. Only the conclusion of a fair and just settlement will end this sordid chapter in our history and restore Canada's good name.

* * *

DUCK LAKE MUSEUM

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, the people of Duck Lake, Saskatchewan, have been keeping the history of the Northwest Rebellion alive for decades. In 1959, the Duck Lake Museum was founded to preserve the historical record of the events of 1885. It

is only the dedication and the commitment of the people of Duck Lake that has allowed this important heritage to be saved.

Now, with the help of the Western Diversification Fund, a new interpretive centre will be built. This will allow the people of Duck Lake to showcase an important part of Canadian history to many more people.

I think all Canadians owe the people of Duck Lake, Saskatchewan, a debt of gratitude for their efforts in protecting and giving new life to our Canadian past.

* * *

SOVIET JEWRY

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, Saturday, May 5, is a very difficult date for Soviet Jews in Leningrad. The ultra-nationalist group Pamyat is threatening a pogrom against the Jews of this city on Saturday.

As we know from the famous musical "Fiddler on the Roof" such threats have materialized in the past. This is a very frightening situation for the Jewish residents of Leningrad, as well as for their friends and relatives in Canada.

The Government of Canada has a moral responsibility to come to the aid of all Soviet Jews. We must use all diplomatic powers at our disposal to pressure President Gorbachev to control Pamyat and its anti-Semitic activities.

This government has a moral responsibility and indeed an administrative responsibility to process as quickly as possible all the immigration requests from the Soviet Union. I would ask this government not to wait to see what happens, but to do what it can while it can.

* * *

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, unlike the Government of Canada, the Dutch government has tackled the environment head on. The Dutch environmental plan sets out targets and schedules, as well as the funds needed to achieve these goals.

The plan includes large reductions in pollution, be it sulphur dioxide, nitrogen oxides or carbon dioxide; energy conservation; efficiency in residential heating and appliances; funds for energy efficiency and conservation; incentives for renewable energy generation; shifts to less polluting transportation modes; significant reductions in pesticides and fertilizers used in agriculture; and recycling of ozone-depleting gases.

In The Netherlands, there is political will to act. They did not stall, they did not shy away. They did not say, as Canada's energy minister did, that theirs is a small part of the global problem. The Dutch are giving leadership. When will the Government of Canada muster enough courage to at least emulate The Netherlands?

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[*Translation*]

ROYAL PARDON

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister of State (Science and Technology)): Mr. Speaker, today, Annette Proulx is 75 years old. Mrs. Proulx is an elderly lady who has been an inmate of Maison Gomin, a prison in my riding, for eleven years.

Once again, I want to ask all members of this House, irrespective of their political affiliation, to give their support for a royal pardon to be granted by members of the Privy Council.

Both the trial judge and Crown counsel agree that she has paid her debt to society, is unlikely to repeat her offence and, because of her advanced age, deserves to be released on compassionate grounds.

Mr. Speaker, I hope that with the help of all members of this House, Mrs. Proulx will be able to celebrate subsequent birthdays outside prison walls.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, I rise in the House today to compliment this government for its ongoing efforts on behalf of farmers in Canada.

With the implementation of the goods and services tax, farmers across Canada will benefit significantly. Under the current federal sales tax, farmers pay $240 million of hidden federal sales tax on their farm inputs each year.

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Under the GST, the vast majority of farm products will be completely free of tax. This includes farm livestock, cash crops, seed, hay and straw, among others. Farmers will neither pay GST on their purchases nor charge GST on sales of these items.

With savings to farmers of up to $240 million under the GST, I would like to take this opportunity to salute the efforts of this government on behalf of Canada's farmers.

* * *

• (1410)

UNEMPLOYMENT INSURANCE

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I rise on behalf of 1,400 students at Vancouver Community College who have had their unemployment insurance training benefits cut off by this government.

These students, including those who are paying their own fees, are caught in a labour dispute which has interrupted their training. This dispute could be settled at any time, but these students are being forced to abandon their training right now.

Why is this government unilaterally punishing students for attempting to improve their skills and qualifications? It is the same government which has cut transfer payments to the province for higher education which is preventing Vancouver Community College from offering a reasonable settlement to employees. It is the same government which has cut the summer employment program for students which has cost another 17,000 students a chance to work. It is the same government which keeps cutting back on the disadvantaged, the poor, the unemployed and students.

These Canadians deserve more than a policy of "buts" and "cuts".

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the opposition is deceiving Canadians about the GST. It wants them to believe it is a new tax, not a tax that will replace another tax that has been hidden for 60 years.

It is false to claim that the GST will hurt the poor, since they will actually be better off with the GST credit.

Mr. Young (Gloucester): Nobody believes you!

Mr. Saint-Julien (Abitibi): The opposition says that all prices will increase 7 per cent. However, the average increase will be 1.25 per cent, and many prices will go down.

The opposition says the GST will be hidden, when in fact it will be far more visible than the present tax.

Mr. Speaker, maybe the opposition prefers to keep the present hidden tax so it can later secretly raise it to 15, 16 or 17 per cent.

* * *

[*English*]

AKWESASNE MOHAWK RESERVE

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, the evacuation of women, children and elderly from the Akwesasne reserve to Cornwall involved over 500 people. I wish to take this opportunity to thank Mayor Poirier and the various municipal officials and agencies in Cornwall, including the many local businesses and volunteers who came forward to assist those people who had to leave their homes as a result of the situation on the reserve.

As a resident of Cornwall, I saw first hand the amount of work and co-operation required. The project demanded considerable effort and resources. I was heartened by the willingness to help that was demonstrated by all parties. Grand Chief Mike Mitchell has already expressed his deep appreciation to the people of Cornwall.

I also wish to thank officials from Indian and Northern Affairs for their work and the management of the Transport Canada Training Institute in Cornwall for their part in the housing and feeding of the evacuees.

We all hope a permanent solution to the problem will be found soon and that this will enable the community of Akwesasne to live in peace.

* * *

GLOBAL ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, yesterday afternoon the Interparliamentary Conference on the Global Environment concluded four days of delibera-

tions. It was organized by members of the United States, including Senator Albert Gore.

There were interparliamentary delegations from 42 nations representing all continents and we adopted this marvellous report by consensus. It makes a number of important and internationally recognized recommendations.

On global climate change, there must be an immediate call to action for a 50 per cent reduction in greenhouse gases. We must reduce the deforestation of the planet, including all countries such as Canada, by 50 per cent. We must carry this message to our constituents and to our provinces. We must start replanting more than 30 million acres a year by the year 2000. There must be a total elimination of CFCs, methyl chloroform, carbon tetrachloride and halons. The ozone layer is getting severely debilitated, as we learned at the conference.

Before the environment committee here in Canada this morning we heard from Dr. Bill Rees of the University of British Columbia that there are steps that we can take in terms of energy and reforestation that are practical and available now.

The DPA report pointed out that for a $74 billion investment there are $150 billion in net energy savings to be had. We can have our cake and eat it too.

* * *

WESTERN PREMIERS

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, next week the premiers of the four western provinces will meet for two days in my constituency in Portage La Prairie.

It will interest this House to learn that the two-day agenda has been set by the federal government. How can this be, you ask?

According to the agenda as released by Chairman Filmon of Manitoba, the issues to be raised at the meeting are all knee-jerk reactionary responses to the federal government's policies and positions varying from offered federal farm aid, the GST, interest rates, and a described federal budget off-loading.

Shame on the premiers for showing no leadership in policy-making for their own provinces. Shame on the premiers for ignoring positive co-operative development and opting instead to gang up on the federal government. Shame on the premiers for abdicating their duty to deliver good government to their own provinces.

The premiers of western Canada who are seeking re-election will get elected on positive action they have delivered instead of crying at the federal government.

* * *

TRADE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the Tory free trade deal has brought about another tragedy in Kingston and the Islands. A small family firm, K.D. Manufacturing, owned by one Kingston family for over 60 years, has closed and moved to the United States; 70 people have lost their jobs, many of them long-time employees.

Why has the government pursued a policy that encourages these businesses to relocate elsewhere? Why has the government traded away Canada's future? What steps will the government take to help the employees who have lost their jobs, who cannot support their families and will have to retrain in order to find alternative employment after so many years?

The indifference of this government is appalling.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Mr. Douglas Young (Gloucester): Mr. Speaker, in the absence of the Minister of Finance, I will address my question to the Deputy Prime Minister.

The Deputy Prime Minister will know that exporters across the country of agricultural products, fishing products, the mining sector and the pulp and paper industry are suggesting that they are going to have a very hard time with exports through the rest of this year, if the high interest rate policy and the high dollar is maintained.

I would like to ask the Deputy Prime Minister, when is it the intention of the government to indicate clearly to the export sector of our economy that the Canadian dollar will be allowed to fall and that something is going to be done about the high interest rate policy?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to tell the hon. member that we share his concern about high interest rates and their effects. We have to understand at the same time why these interest rates are there.

We are at the end of a long cycle of six years of growth. There are pressures in our economy which are very real and which are creating inflation. If we do not deal with that, interest rates will keep going higher all the time. We need to tackle inflation, and this is what the monetary policy is all about.

Mr. Douglas Young (Gloucester): Mr. Speaker, a supplementary to the minister. The Minister of Finance and now the Minister of State for Finance have both talked about the business cycle and that it is important to recognize that we are at the end of the business cycle.

My question to the minister is very plain. When is the cycle going to end for high interest rates and a highly valued Canadian dollar so that both domestic products as well as products made for export are going to be able to move on the domestic market as well as the international market? When is this cycle of high interest rates and a highly valued Canadian dollar going to come to an end? That is the question.

Hon. Gilles Loiselle (Minister of State (Finance)): I can underline the the fact that we are as concerned and as interested as the hon. member in seeing this cycle come to an end. We are doing what needs to be done to make sure that it comes to an end.

Were we not to accept our responsibility now, we would get involved in the cycle that the Liberal Party took this country some 10 years ago where we had interest rates above 20 per cent and a high inflation rate. This we will not allow to happen.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary for the Minister of State (Finance). Since he prefers not to talk about the problems of Canada's exporters, I will ask him a question about the number of bankruptcies in his own province of Quebec. Does the Minister believe it is acceptable to maintain the government's monetary policy keeping of very high interest rates high and the Canadian dollar at 86 or 87 cents? Will his government pursue this policy which has caused a dramatic increase in bankruptcies in Quebec?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, it is of course tragic and unfortunate whenever a business closes its doors and jobs are lost. Because of the reasons I mentioned earlier, there has lately been an increase in the number of bankruptcies. I may point out to the hon. member, however, that since 1982, the number of businesses has doubled and that we are still experiencing only half of what the situation was when the government, under the Liberal Party, let inflation get out of control. Of course, we must continue to be watchful and do whatever is necessary, and at the same time act on our tax policy. However, whenever we we want to reduce spending and reduce the deficit, every spending cut is challenged by an opposition that wants us to spend more and more, thus preventing us from attaining the very objectives we all support.

* * *

• (1420)

[*English*]

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, last February, I called on this government to acknowledge the disaster unfolding in rural Canada. To date, Saskatchewan and Manitoba have not been able to match funds announced recently by this government to enable farmers to plant their crops.

Yesterday, the Saskatchewan legislature passed a resolution condemning the government of Canada for failing to provide adequate financial assistance for Saskatchewan farmers and asking for cash immediately to help plant their crops. Copies of this resolution were sent to the Prime Minister, the Deputy Prime Minister and Minister of Agriculture.

Will this government proceed now to break this impasse and make these funds available so that planting can proceed?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am pleased to tell the hon. member the discussions are ongoing. I discussed this issue with Premier Devine, who is the Minister of Agriculture for the Province of Saskatchewan. I have also had further discussions with the Minister of Agriculture for Manitoba. I can advise the member that progress is being made. Hopefully, we will be able to arrive at a satisfactory

conclusion with at least those two provinces in the very near future.

As I indicated before committee yesterday, it is clearly our desire to be as flexible and as accommodating as we possibly can. However, we are also asking the provinces to become involved. The federal government has been sharing the largest burden and, because of the fiscal constraints that we have imposed upon us, we are asking them to assist in this time of need.

The bottom line is to get as much money into the hands of the farmers as we possibly can as soon as we can.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, extremely low initial payments for western grain were announced this week by the Minister of State for Grain and Oilseeds, in spite of low world grain supplies. In fact, world wheat prices have risen since the announcements.

Will the Minister of State for Grain and Oilseeds inform this House and the farmers of Canada what mechanisms are used to determine these lower initial payments for wheat? When he believes that world wheat prices will decline, why is he dragging his heels to give assistance to Canadian agriculture to compete for these world markets?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, we are not dragging our heels. What we are trying to do is be realistic to assess the market as it presently exists.

As I told the hon. member this morning at committee, we review initial payments on a regular basis and our record of adjusting them in the past has been pretty good. In fact, last year we made the first ever adjustment in a price after the pooling period had closed, the whole purpose being to get as much money into producers' hands as we possibly can as quickly as we can.

I want to assure the member and farmers who rely on these prices that we monitor them on a regular basis and we look at everything. However, I ask the member to understand that the price we set on Tuesday was an initial payment against a final realized price for a crop that has not yet been seeded, harvested or begun to be marketed.

Therefore, bear in mind that these are minimum prices that we expect, and we set these prices fully expecting there will be a final payment. Producers should understand that we will be looking at them very carefully as the year goes on to do whatever we can to adjust them upward just as quickly as we see signals there that enable us to do that.

* * *

THE ECONOMY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Deputy Prime Minister. The Minister of Finance and the Governor of the Bank of Canada keep claiming that they will do nothing about interest rates until inflation is under control. If one looks at the research and we look at Statistics Canada, for 16 months since 1988, Statistics Canada reports that in fact high mortgage costs have fuelled the consumer price index and are contributing to inflation.

I ask the Deputy Prime Minister, will he not admit that the government's high interest rate is directly contributing to inflation, and in this case the medicine is worse than the disease?

Hon. Gilles Loiselle (Minister of State (Finance)): I would like to tell the hon. Leader of the NDP that there are, of course, various measures that a government can take to deal with high inflation rates which are destructive to wage earners because their salaries stop meaning anything, and they are destructive to our economy which becomes uncompetitive.

One of the central actions that the government can take is to put order in its own finances by reducing the use it makes of the capital which is not available for other industries. This is what we have been doing. In so doing, we have been opposed every step of the way by the opposition. We will continue to do this.

The intervention of the Bank of Canada, which is fully supported by this government, is based on the need to remove this threat to the performance of the Canadian economy. This threat is very real and is not only, as some have said, in southern Ontario but spread all over.

Within the system, there are presently very great pressures for wage settlements in the public sector in certain provinces, which is worrying. If we let this run away, we will be running after our tail. There is no way one can artificially act on this without accepting the

reality. There are inflationary pressures. They are slowing beginning to come down.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): I wish to ask the Deputy Prime Minister a supplementary question, Mr. Speaker.

[*English*]

I would remind the hon. minister that it is small business, farmers and economists who are saying that it is the inflation rate that is bringing this economy down.

[*Translation*]

Mr. Speaker, the government is contributing to inflation not only through high mortgage rates. John Crow says so himself in the latest Bank of Canada annual report, and I quote: "The indirect tax increases imposed by the federal and provincial governments contributed again this year to higher consumer prices."

Will the government finally admit that it, and not working people, is responsible for inflation?

Hon. Gilles Loiselle (Minister of State (Finance)): The hon. Leader of the New Democratic Party was no doubt mistaken when she said that all companies and small businesses blame interest rates for high inflation. I suppose that she was referring to interest rates.

She talks about mortgage rates and capital which is scarce for small businesses that need access to it. That is exactly it. The government must put its own finances in order and withdraw from the capital market, which it has taken over. Next year, we will pay $41 billion in interest on our debt. That gives an idea of how much space we take and we must get out of the way so that our people and companies can grow because they will have to compete with a government that looms less large and does not occupy the whole field.

[*English*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the minister knows full well that, as the interest rate increases, so does the debt, and that increasing the interest rate is increasing the debt. It is the economic policies of this government that are bringing this economy down.

I would suggest to the minister that he look at the facts and listen to Statistics Canada and to economists in this country.

Yesterday, the Canadian Labour Congress reported that 105,000 jobs have been lost because of free trade.

Now another company, Croydon Furniture of Cambridge, Ontario has stated that free trade and high interest rates are forcing it to close, putting another 360 Canadians out of work.

Will the minister admit that the economic policies of his government, free trade and high interest rates are not working, and neither are Canadians under this policy.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I think this government is very proud of its performance as far as job creation goes.

It is true that high interest rates are not making the management of public finance easier. I would fully agree with that. That is why we need to bring them down, and bring them down in a way that will cause them to stay down and not go up after a few months so that we will not have solved anything.

As far as job creation and the free trade agreement is concerned, the hon. member fails to quote statistics from Statistics Canada which indicate that there has been an increase of 413,000 full time jobs since the trade deal came into effect. What about that?

* * *

• (1430)

[*Translation*]

FISHERIES

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is directed to the Deputy Prime Minister. During his visit to the Acadian peninsula yesterday, the Prime Minister was met by hundreds of fishermen and plant workers who were very upset about the government's failure to act.

Once again, the Prime Minister failed to understand the situation. With incredible arrogance, he made jokes at the expense of these people when he said: "They look pretty happy everybody seems to be doing fine".

Do these rude comments mean the Prime Minister still thinks there is no crisis in the fisheries?

Mr. Speaker, the Prime Minister's comments were arrogant in the extreme, and people find it very difficult to accept that. My question is this: Does the Prime Minister's arrogant statement that people looked happy and seemed to be doing fine, in the present circumstances, that the Prime Minister is going back on the promise made by his ministers that there would be a billion-dollar support program for the fisheries? And will the program to be announced next week be new money or just money from existing programs?

[*English*]

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, if I might answer my colleague opposite, with respect, he is placing a very biased interpretation on the reaction.

I have not spoken to the Prime Minister, but I would suggest that he was simply reflecting the cordial reception that he and his colleague, the Minister of Fisheries and Oceans, received from the people.

In terms of what is happening in Atlantic Canada, the recognition that this government has placed on the need to find a solution for the fisheries crisis will be more fully realized early next week, when a comprehensive announcement will be made. Already, $130 million has been allocated to the problem, a good percentage of what the previous government spent on economic development for all of Atlantic Canada.

Furthermore, I would suggest to my colleague opposite that in the province of New Brunswick generally, there are 40,000 more New Brunswickers working than there were when this government came into office.

The Prime Minister went to New Brunswick with the Minister of Fisheries and Oceans to emphasize the concern that our government has with the very real problems in the Atlantic fishery. When the announcement is made early next week, my colleague will see the nature and extent of the assistance offered. I am sure he will be very well satisfied with it.

Oral Questions

INDIAN AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is to the Solicitor General and it concerns the Mohawk community of Akwesasne.

According to a wire service report, three chiefs at Akwesasne have now released a list that they believe to be a hit list of anti-gambling members of the reserve on which the name of Mr. Matthew Pyke appears. Has the minister been made aware of this allegation, and can he apprise the House as to what action he intends to take?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, with respect to the question about the list, I was made aware that there was a statement made by three chiefs earlier today.

I have requested a copy of the list which apparently was made public with their statement. I will, of course, refer that list to the appropriate police forces for investigation. I assume they already have it, but I will personally transmit that with respect to the list, and also draw their attention to more specifically the fact that the name of one of the deceased persons was on that list.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, needless to say, despite these recent developments, we all hope for a lasting peace in Akwesasne.

I would like to ask the Solicitor General about the following: Earlier this morning, the New York State Troopers announced they had no intention of disarming the Akwesasne community on the U.S. side. Considering what the U.S. state troopers said, could the minister tell the House how this statement will affect the way he intends to make Akwesasne a more peaceful community, and how are we going to try and collect the weapons without their co-operation?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, personally, I was not aware of this statement. Obviously, it may not be very helpful in the circumstances. However, as I said before, we are now proceeding to take concerted action. This has consisted in entering the Indian reserve to restore peace and order and to enforce the law according to the jurisdiction

where the police forces happen to be. On the Canadian side, Canadian law will prevail. I assume the same policy will apply on the U.S. side.

As for disarming the entire reserve, I am sure that is one of the issues being discussed right now in Montreal by the various authorities, an issue that concerns the entire reserve and all the jurisdictions involved.

[*English*]

Mr. John Brewin (Victoria): Mr. Speaker, my question is also to the Solicitor General. Information has been available to the Solicitor General and to the RCMP for a number of years now that gambling and organized crime are behind the violence, not only on the Akwesasne Reserve, but also on the Kahnawake Reserve, south of Montreal, which is entirely within Canadian territory.

Has the minister any specific proposals which he is willing to share with the House that he and his department is putting to this meeting in Montreal. Will he continue to press, not only in Canada but with the American government, to deal with the organized crime and gambling as part of this endemic violence or is he going to continue to maintain that this is simply an American problem?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, I would like to draw the attention of the House perhaps to the last part of the question or statement of my hon. colleague, that I pretend that it is strictly an American problem. I believe that my colleague is referring to what I have said today in answer to a question from my hon. colleague when he was referring to the operation of the gambling casinos on the American side, so I think this has to be put back into context.

The entire question of Akwesasne, the violence and perhaps the causes that have brought about this violence is exactly what is being discussed at that committee in Montreal right now.

Mr. John Brewin (Victoria): Mr. Speaker, my supplementary question deals with the alternatives to gambling. The national native leadership, as well as the leadership from the reserve, have come to the government repeatedly and asked for assistance to develop economic alternatives to gambling on the reserve as a way of earning a living.

Is the government, at its meeting in Montreal, putting forward specific proposals in this regard to provide assistance, not just Canadian assistance but urging the Americans as well, so that a long-term solution can be found and the people on the reserves are not simply going to be left at the mercy of organized crime.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am sure the hon. member and other members of this House understand the unique circumstances of the situation at the Akwesasne Mohawk Indian Reserve involving five government jurisdictions.

The meetings in Montreal this morning and continuing at the present time are designed to co-ordinate the approaches of these five government jurisdictions with a view to seeking a lasting way of bringing peace to the Akwesasne people. I am sure they are exploring a wide range of alternatives. It is not the place of this House to begin to anticipate matters which will first be discussed with the leadership of the Mohawk people before they are discussed with anyone else.

* * *

ENERGY, MINES AND RESOURCES

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources and concerns the Hibernia oil field development.

All Canadians and in particular, Canadians in Newfoundland who are currently suffering from a collapse of the east coast cod stocks, are anxious to see this project start without delay. Two weeks ago, the vice-president of Petro-Canada, Mr. Jim Stanford said and I quote: "I believe we are very close to finalizing agreements with Ottawa and Newfoundland."

Will the minister indicate to the House today whether or not a formal signing leading to a start-up of this project is going to occur in the weeks ahead and whether or not Canadians can expect to see a start-up of construction during 1990.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, in response to the hon. member's question he will recall to mind the date of June 30 that we are working toward. What we are negotiating and what Mr. Stanford probably was referring to as a member

of the consortia is on the matter of industrial benefits. The hon. member will know that I refer to industrial benefits. There was a change from the manner in which the top sides were going to be configured and how that would affect work in Newfoundland and possibly other eastern Canadian yards. That work is almost complete.

• (1440)

We still have financial issues to deal with which are known as the LRS, the lender risk sharing, as well as completion of the operating agreements within the consortia. Those are the issues being discussed now and my mandate has been to move toward the June 30 date.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I thank the minister for his very thorough answer. It is clear from the sentiments he expressed—from the sentiments of representatives of the government of Newfoundland, and from the views of members of the consortia—that this project is progressing quite well.

I think what Canadians residing in Newfoundland want to hear today from the minister is an assurance that there is absolutely no linkage between the negotiations and discussions on this important Canadian energy project, other affiliated offshore energy projects off the east coast, and any other unrelated—maybe important but unrelated—outstanding issues with which Ottawa and Newfoundland or other provinces may have disagreements.

Can the minister give the House that assurance to Newfoundland and I suggest to Manitoba, the minister's own province, and to New Brunswick?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, with respect to my responsibilities relating to the Hibernia project, the Prime Minister has been a proponent of the Hibernia agreement.

It was the Prime Minister who came forward with the Atlantic Accord. It was the Prime Minister who gave a mandate to my predecessors to complete the Atlantic Accord. I simply recall to mind for the hon. member that the premier of Newfoundland at one time was a constitutional lawyer who argued that Newfoundland should not have rights of offshore development and royalties which are part of the Hibernia development.

Some hon. members: Oh, oh!

Mr. Epp: If the member wants to drag in some other issues they can be, but I do not think that is helpful. The point I am making with respect to Hibernia is very clear. My mandate is the one I described in the first answer and that is the mandate the Prime Minister has given me.

* * *

ENERGY

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is also for the Minister of Energy, Mines and Resources. Yesterday the minister told the House that Petro-Canada International withdrew from Myanmar because of "deteriorating human rights".

If that is the case, why does the minister not cancel Petro-Canada's $22 million deal with the same dictatorship?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member is correct with reference to the work that Petro-Canada International has with Myanmar.

There is a second issue relating to Petro-Canada and the work that they have in Myanmar. I have not asked Petro-Canada to withdraw from that contract.

We have very clearly told Petro-Canada to operate both in the domestic and the international market. I appreciate that it is difficult in view of the changes that have taken place in the government in Myanmar, but I think we also have to keep in mind that those agreements were signed with previous governments.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary is for the minister. No answer represents better the hypocrisy of this government than this one.

It is quite clear the government can instruct Petro-Canada, according to Mr. Hopper, the chairman of the board. I quote what he said when he came to the House of Commons committee in 1986: "Controlling interest is clearly with the shareholder" and that is the government, "and she can order me to do what the government wishes me to do by Order in Council any time she wishes".

Therefore, will the minister do the right thing and bring forth today an Order in Council instructing Petro-Canada to suspend its activity with this dictatorship?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I do not think it is very helpful when the hon. member uses the word hypocrisy concerning these kinds of issues.

Mr. Kaplan: It is the right word.

Mr. Epp: No, it is not the right word. I have been very up front, with him on this issue, both in the House and in private conversations. I think members opposite also have been supporting energy and development projects for governments whose lack of democratic and human rights we do not support.

To answer the hon. member, I have not given that order and at the moment have not considered the matter of removing the order as he says I should. I think the point has to be made very clearly that we have asked Petro-Canada to function in that market.

In terms of the hon. member's representation, this matter will be examined jointly by a number of my colleagues and myself but I will not go any further today.

* * *

AGRICULTURE

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a question for the Minister of Agriculture, of which I have given him notice.

On March 13, I wrote to the government about the safety of the new open border system for meat imports into Canada. Now an incident has occurred which underlines my concerns.

Would the Minister of Agriculture confirm that on April 26 a truckload of 29,000 pounds of dried meat products already approved by the United States Department of Agriculture had to be turned back at the border crossing at Windsor. Would he also give us the results of tests on that product which has taken place since?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I thank the hon. member for giving me notice. I can confirm that there were defective meat product packages found in the shipment to which the hon. member has referred. The shipment has been held and samples have been sent to the Guelph laboratory for analysis. The results are pending. I can also advise the hon. member that the importer refused to accept the shipment and consequently it has been shipped back to the exporter.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have certainly heard some preliminary reports on the consequences of this testing from those people who carried out the testing. These tests suggest that we may have a serious problem.

I want to ask the minister if this incident, which involves one of the larger and more important companies in the country, does not demonstrate clearly that we should step up and improve our border inspection process for meat instead of increasing the gaps in the process as in the new system?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, perhaps the hon. member and other members of his party may want to get their position straight, because just a couple or three months ago a member of his party raised that very issue in the opposite context. He said there was harassment as a result of the inspection practices which affected the operation of a plant in the hon. member's riding. I believe it was the hon. member for Moose Jaw.

I say to the hon. member and to you, Mr. Speaker, that the systems for inspection of meat are virtually identical in the United States and Canada. Once a shipment crosses our border we treat it as a domestic product. We can inspect it at any time as the Americans do our shipments. The fact of the matter is that the system has worked very well in the past and continues to work well. There will always be occasions like this. The shipment was caught, it is being dealt with, and I think it simply demonstrates that the process works very well.

• (1450)

[*Translation*]

GOODS AND SERVICES TAX

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of State for Finance.

6 Quebecers are wondering whether Hydro-Québec, a Crown corporation, will really shift to consumers the difference between the currently hidden 13.5 per cent tax and the future 7 per cent GST.

My question is this: Can the Minister tell Quebecers whether or not this 6.5 per cent reduction from the current hidden tax will have a real impact on Hydro-Quebec bills as of January 1, 1991?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I want to thank the hon. member for his question. Obviously, the sales tax reform will translate into a substantial reduction in Hydro-Québec's operating costs.

I was reassured to read this morning that Hydro-Québec was reviewing its figures in order to assess exactly what this positive impact would be. I am confident that Hydro-Québec and all other businesses, will work with unions to ensure a responsible transition in everybody's best interest.

* * *

[*English*]

TRANSPORT

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, my question is directed to the Minister of State for Transport. Northumberland Ferries Limited is impatiently waiting for the much-needed ferry for the Wood's Island—Cariboo ferry service. The design for the new ferry was to have been chosen by March, 1990. It is now May and there still no design has been chosen. Will the minister indicate to the people of Prince Edward Island why this design has not been chosen?

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I would like to assure the hon. member that everything is being considered, but the decisions have not been made as yet. The minister is well aware of the hon. member's concern about this ferry.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, my supplementary question is for the same parliamentary secretary.

Will he give the House an assurance that the ferry service between Wood's Island and Cariboo will not be negatively affected by the fixed link? Any decision to build a fixed link does not take away the need for a ferry service between Wood's Island and Cariboo.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, all I can say to the hon. member is that each of the matters he has brought forward will be considered. The fixed link is also an ongoing consideration in the transportation issues raised by the hon. member.

* * *

JUSTICE

Hon. Bob Kaplan (York Centre): Mr. Speaker, my question is directed to the Minister of Justice. On April 27, I asked the government for some assurances about a secret hearing and judgment of the Supreme Court of Canada last February. I asked if the government was party to the proceeding. The Solicitor General replied that the government had no knowledge of the matter.

An Ottawa *Citizen* report suggests that this answer was wrong and the government was a party to the proceeding. The minister will understand that such a proceeding may be justified but it is contrary to our tradition. Is the government a party to the proceeding and does the government agree with the need for secrecy in this matter?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the hon. member will know, the proceeding before the Supreme Court of Canada has a press ban on it. I will neither confirm nor deny whether the government is involved. I do not believe in the face of that press ban it is appropriate to disclose any information relating to the case.

The Supreme Court of Canada has indicated that it will make the dossier public. I think the date is May 11. It is subject to representations made by parties in the case. I think it is appropriate under those circumstances not to say anything about it in this House and to await the decision of the court on whether they will or will not release the case.

Hon. Bob Kaplan (York Centre): Mr. Speaker, without knowing the nature of the proceeding before the Supreme Court of Canada, it is impossible and I would not presume to take a position that secrecy is not justified.

I want to ask the minister if the proceeding develops in such a way that there is no disclosure on May 11, will she undertake to keep an eye on the matter and disclose to the House and to the Canadian people as she can and as soon as she can?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I think the hon. member's question is asked in all sincerity. Certainly, as Minister of Justice, I have a strong interest in ensuring that Canadians have confidence in the judicial process. I believe that members of this House have confidence in the integrity of the Supreme Court of Canada which has a process under way to determine whether this case should continue to be kept in camera. If a decision is made to keep the information in camera, I will make a decision at that time as to what is the appropriate role of myself in the context of Minister of Justice and Attorney General of Canada.

* * *

CANADA POST

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, yesterday Canada Post announced a plan to change significantly the national mail sorting system which is expected to cost the jobs of close to 1,000 postal workers and, I suspect, continue the decline in services.

My question is directed to the minister responsible for the Canada Post, who I assume is responsible for this latest drive to increase profits at the expense of service. Was this decision, which includes putting two collection boxes on every street corner in Canada, his idea and how many more stupid ideas will Canadians have to endure before this government decides that we have to have service instead of profit?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Stupid is a pretty good adjective for the question.

Mr. Speaker, the changes announced yesterday were part of a continuing program of changes under way for several years now which have resulted in the postal service of Canada being among the best in the world.

An hon. member: It used to be, Harvie.

Mr. Andre: It means the mail will be delivered faster, more efficiently and cheaper. It will enable the post office to keep the cost of first class stamps lower. The dual postal pick-up boxes are being put only in those communities where it is appropriate, so the local mail can be sorted locally and the other mail sent to where it can be sorted mechanically and automatically. It is through the use of this modern equipment that the people of Canada are better served.

The New Democratic Party continues to think that if it was good enough 50 years ago, it is good enough today. Well, things are changing.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, my supplementary is directed to the same minister who continues to claim that Canada Post is meeting the delivery standards they set for themselves.

How can the minister justify the reduction of another 1,000 jobs from this Crown Corporation, when mail volumes are continuing to increase across the country? When will he listen to the wishes of the Canadian people and set up a full time postal commission to keep Canada Post in check?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, there is no loss of 1,000 jobs that the hon. member is talking about. That is why I did not answer the question in the first instance.

There is a continued improvement in the efficiency of the Post Office—

An hon. member: Get serious.

Mr. Harvey (Edmonton East): When are you going to sell it, John?

Mr. Andre: —through the continued use of modern computer sorting equipment. It is necessary to deploy this modern equipment to meet the standards Canadians expect. It is regrettable that the New Democratic Party feels that if it was good enough for their great grandfathers it is good enough for them. We have to change with the times.

INDIAN AFFAIRS

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development.

As members will know, the Lubicon Band has had a case in front of the United Nations Human Rights Committee for several years. Can the minister now inform the House as to the decision, and more importantly what is the government planning to do in view of the decision?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I can confirm that the Human Rights Committee of the United Nations has rendered a decision in the matter of the grievance raised by the Lubicon Lake Band of northern Alberta under the human rights provisions of the covenant. That decision acknowledges that an injustice to the Lubicon Lake Band must be remedied. That is the basis on which this government has proceeded with negotiations for some years—

An hon. member: Nonsense!

Mr. Siddon: —to find a just, fair and comprehensive settlement of this claim. On the basis of that, we have offered a $45 million settlement package which will affect some 400 residents on a 95 square mile reservation.

• (1500)

If I might just quote from the United Nations Human Rights Commission report. I hope the opposition members would be interested in this finding. On page 29 of the report the committee found that "sweeping allegations made by the Lubicon Lake band have not been substantiated to the extent that they would deserve serious consideration." Furthermore, the committee found that "the state party", that is Canada, "proposes to rectify the situation by a remedy that the committee deems appropriate within the meaning of Article 2 of the covenant."

Business of the House

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to ask the Government House Leader if he could share with us his plans for the coming days in terms of House business and what he has for us tomorrow, Monday, Tuesday and possibly Wednesday.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, it is the intention to continue this afternoon with Bill C-15 which is third reading for the plant breeders' rights.

Tomorrow, it would be my intention to call for report stage and, if possible, third reading of Bill C-53 dealing with arson, Bill C-59 dealing with B.C. courts, Bill C-60 with the Ontario courts and Bill C-61 dealing with the matter of divorce.

On Monday, it would be my intention to call consideration of a motion for a message back to the other place in respect of Bill C-21, the unemployment insurance amendments, for which the country is waiting so anxiously. It would be my intention to continue that on Tuesday. I will have to get back to the hon. member and the member for the New Democratic Party in terms of the rest of next week.

Mr. Speaker: Further question. I see the hon. member and I will come to him in a moment. The hon. member for Ottawa—Vanier.

Mr. Gauthier: On the matters before the House, the minister has given notice that on Monday we will be taking up the message from the Senate. That message usually requires a motion to be put before the House in answer to the message but no notice is given to members prior to the speech of the minister. I asked the last time that notice be given, but did not get it. I wonder if the minister could co-operate with us this time, in the interest of brevity of debate and possibly more camaraderie and congeniality, and if he would be ready to give us the motion that he intends to put on Monday in relation to the message so that we can prepare for the debate.

Mr. Andre: As I say to my six-year old son, he didn't say the magic word: "please."

Mr. Speaker, I will be providing a copy of the message just as soon as it is finished the final editing, which should be later this afternoon, and certainly tomorrow morning if not this afternoon.

Mr. Gauthier: I would like to say "please" this time, Mr. Speaker. We are getting somewhere in this place.

Relating to Private Members' Hour and relating to the fact that we have no items in the order of precedence presently on notice on the Order Paper but we do have a motion to deal with a reorganization of that hour, I wonder if the minister could give us his plans or his undertakings to deal with this matter in the very near future since, at this time, all members of this House, on all sides of the House, are indeed being, how will I say—

Mr. Tobin: Disadvantaged.

Mr. Gauthier: —disadvantaged to a certain extent in not having their motions and their bills discussed in Private Members' Hour and the government gets that time. We would rather have Private Members' Hour for the members of this House than give it to the government.

Mr. Andre: Judging by the statistics the government is getting substantially less than the Chair on time now anyway. As the hon. member knows, there has been much discussion on the proposed change in the Standing Orders in terms of how we treat private members' bills and resolutions. It is, of course, the tradition around here that this has worked out among the parties and two out of three of us agree. The third is perhaps in need of a little persuasion. If both of us say please, maybe we will get the third group to co-operate.

At some point in time, we will have to take action. I am still hopeful that friendly persuasion of the hon. member and myself, and with use of the magic word, we may be able to do this by consent rather than through a full blown debate, and all that that involves in terms of government time.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, on a point of order I have another magic word on that last point. It is "sorry".

I have a point flowing from the normal question on Thursday. I wonder if the government House leader can indicate, since it is National Forestry Week next week, whether or not we can expect a statement on that from the Minister of Forestry.

Mr. Andre: Mr. Speaker, the hon. member should ask the minister about that.

Certainly I have no objections to such a move. It would seem that the hon. member from the New Democratic Party has a speech he is anxious to give, and we will see if the Minister of Forestry can accommodate it.

Mr. Jim Fulton (Skeena): Mr. Speaker, on a point of order. It may be that you can answer this or that the government House leader can.

More than a month ago I raised a question of privilege regarding the possible abuse of the privileges of all members of this House and possibly of the procedures of the House. I provided, because of the delicate nature of some of the documents, copies of those to both the government and opposition House leader so that they could review them and see whether or not they wanted to come back either with more material or whatever.

Since more than a month has passed, I understand some decision has been made by the government side which does not involve either the documents or further debate, I would like to know when the privilege might be proceeded with. In my view, it has very serious ramifications for all members in this House, not just myself.

Mr. Speaker: Without getting into any particular detail, I want to assure members in the House that the matter is under consideration in my office at the present time.

There will be, of necessity, some extra conversations needed with representatives of the government. Some things were discussed earlier this morning and that will continue. I will try to report back to the hon. member as soon as possible.

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, on a point of order a few moments ago when I was asking the Minister of Indian Affairs a question, he was referring to and reading from a document.

I am wondering if you might ask the minister if he will table that document as the rules provide.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am in possession of a copy of the decision of the Human Rights committee on the matter of the Lubicon Lake Band and their

grievance under the International Convention on Civil and Political Rights. It is footnoted: "Made public by decision of the Human Rights Committee".

This is a personal, marked copy. I could have a clean copy available and presented to the House later today or first thing tomorrow morning, if that is acceptable to members.

Mr. Speaker: The hon. member has asked that the document be tabled. Under the rules, it should be.

I think the minister's request is reasonable, and I would expect him to table a copy at his earliest convenience.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, since I was the member who stood on the point of order originally, resulting from the fact that there is now no private members' business on the order of precedence, and suggested the order that was made on Wednesday, January 30, 1990. I felt, in light of the question posed by my hon. friend from Ottawa—Vanier, that I should indicate to the government House leader our willingness to co-operate with the resolution now before the House. Also, I would like to indicate our view that the New Democratic Party is handing over time to the government by refusing its consent to this motion on private members' business.

It is simply giving the time up for no good reason. Instead of proceeding with legitimate bills and motions that we and they have put on the order paper, they are refusing to honour this and proceed with this motion.

I suggest that, under the circumstances, since there was agreement between the government and opposition, with which the NDP agreed to suspend the operation of the draw, we now have a resolution for it. I would hope that the government could work with the members of the New Democratic Party to achieve agreement so that this resolution could be dealt with in the House in an expeditious way. Surely a reasonable solution might be for the government to use the time that is otherwise devoted to private members' business for this purpose.

• (1510)

I note that on Friday last the House adjourned early rather than continue to deal with government business until three o'clock as it could have done. It could have dealt with this motion then. I noticed also that on Monday afternoon, the House suspended its sitting from about five-thirty until seven o'clock when again this motion could have been called and dealt with.

If members of the New Democratic Party had concerns about the motion, I am sure they would have put those points before the House during those times. We might then have usefully dealt with the matter and wrapped it up. I know that we on this side are happy to vote for it, and I am sure that many of the members in the New Democratic Party are also happy to vote for it.

If we can just get a discussion going, we would probably wrap it up in no time. I invite the government House leader to do so.

Mr. Andre: Madam Speaker, that was certainly an eloquent representation that will not go unheeded.

GOVERNMENT ORDERS

[*English*]

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-15, an act respecting plant breeders' rights, be read the third time and passed.

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I am pleased to rise today to participate in this third reading debate on Bill C-15 respecting plant breeders' rights.

I know that some members of the public are a bit puzzled by the name of this bill and some find it quite humorous. When you actually see the intent of this bill, Madam Speaker, you find that there is very little humour involved.

The reason I am so pleased to rise today is to once again express our unabated opposition to Bill C-15 and give a little history behind this. At the legislative committee stage, my colleague from Mackenzie tried to amend the legislation to be certain that there would be a check to ensure that all stakeholders in the plant breeders industry be consulted by the minister. We wanted reports each year so that the plant breeding community in

Canada, which is a large industry, would have some sort of government monitoring.

Curiously, the Liberals would not support our amendment so we in the New Democratic Party are alone in this. The Liberals have consented to go along with the government in support of Bill C-15 and we in the New Democratic Party are alone in our opposition. Our reasons for doing so are numerous.

Several developments have occurred in the plant breeders' rights area. A research study by North Dakota State University found that Canadian commercial varieties of grain tended to out-perform most American varieties across the state. My colleague from Mackenzie spoke about this in February in a statement in the House. According to the study, Canadian commercial varieties of wheat, oats, durum, rye, barley and flax tended to out-perform most American varieties across that state.

My colleague's analysis is that Bill C-15, introduced by this government and now supported by the Liberals, will mean that Canadian farmers who farm under unique soil conditions in the north will lose the advantage they now enjoy with public plant breeding. They will now be forced to depend on the same so-called world scale profit-oriented research that was proven so inadequate in the Dakotas. Our hesitation about supporting this bill has already been proven to have great credibility. That is on the domestic market.

We also have reasons on the international scene to oppose this bill. I would like to focus on those. I would like to outline the four principal reasons why we are opposing this bill. They are: one, the intellectual property rights question; two, the concern for the community of intellectual property rights, otherwise known as the informal innovation system, a north-south question; three, the whole trade question; and four, the concept of genetic erosion. In the time that is left to me I would like to expand on those four categories that outline our concern.

On the intellectual property rights, that is a very insidious element to this bill and although plant breeders' rights sounds like a science fiction creation, perhaps an "R" rated one, we see that it is in that whole domain. While it may still seem like science fiction, we are moving rapidly into a world where transgenetic species are becoming common. That is that you cannot distinguish between what is a plant and what is an animal. The technical or scientific distinctions between plants and animals have always been blurry. UPOV, the Union for the Protection of New Varieties of Plants, has conceded this point. There is no clear, well-defined borderline between plants and animals so there is an economic hesitation about getting involved with patenting life forms. There is also a moral consideration, and it is this moral consideration that leads the number of church organizations to withhold their approval of such initiatives.

The second of my principal reasons for opposing this bill is the concern for the community, the concern for the Third World farmer. This is the north-south argument against Bill C-15. The intellectual property rights which we see intrinsic in this bill are of the philosophical framework of the north. This bill does not recognize that southern farmers—those plant geneticists I met with when I went to Africa and Eritrea in northern Ethiopia, the bread basket of the world, where a number of life forms which we have benefited from in the developing world, but they were developed there—those farmers should be paid in some way for their resources, their centuries of developing the plant species. We just come in, pillage what they have, bring it back and make a profit from it. It does not hold true, if we are going to use our philosophical framework, that it should be a market organization that should be determining that we have a responsibility to reimburse those farmers for all those centuries of labour and skill in developing those plant species. In effect, what we should be doing is demanding that the north recognize farmers' rights through a tax-based payment to the FAO international fund for plant genetic resources.

Bill C-15 does nothing to do that. My colleague, the hon. member for Mackenzie, tried very hard to bring about an amendment at the committee stage on this very issue. Our concern is about the plundering of Third World germ plasm and the possibility, as was raised by Patrick Mooney, one of the world-recognized experts in this field, that the union for the protection of new varieties convention should render germ plasm subject to biotechnology patents in the north. That is the second major area of our concern.

The third area of concern is under a heading that is very familiar to this House as it is very much within our own philosophical framework and will be recurring over

and over again in the days to come and that is international trade.

• (1520)

We have many reservations about becoming involved in this global economy because we feel it is not to our advantage. Nowhere is that more evident than in this bill. We are not the big players. We are the ones that are being made the Third World.

Bill C-15 is the first step toward full compliance with the proposed system of international trade under the GATT. What Canada decides to do with this bill will influence how developing countries judge their legal options. So, as the critic for international development, I can see that Canada is capitulating to the dominant economic forces.

We have given away our moral leadership in defending the developing countries and we are going along with those countries that really believe that the more money you have, the more power you have, the better you are. I had hoped that Canada would resist that dynamic.

The final area of opposition is one that I hold very close to me and that is the whole area of genetic erosion. As a member of this Parliament's Environment Committee we are constantly being given evidence of the kind of global environmental crisis which we face. Bill C-15 is only just going along with that trend and not addressing it in any way that helps us toward a solution.

Our farmers are being pushed very, very hard by economic circumstance to make choices they would otherwise not like to make. Those problems are all the more dramatic in the developing world. We are being pushed, both here and internationally, to erode our environmental capital.

We are being pushed by the dynamics that I cited in previous portions of this address to do mono-cropping, to do cash cropping, to get involved in the global economy, and we are using up our environmental capital.

The genetic erosion that is of concern to me is no more evident than in Africa. The people who I saw in northern Africa managed quite well over the centuries until we got our sticky fingers in there and decided that they should grow cash crops. We now see the kind of social erosion which results in war, which causes more social erosion, which runs into "Well, you have to get into the global economy; you are going to have to put in structural adjustment; we are going to help you poor folks but you are going to be playing by our rules". The result is mono-cropping and the deterioration of the genetic resource.

One of the most passionate opponents to plant breeders' rights legislation has been Sir Otto Frankel of Australia, a scientist long involved in genetic conservation. He has decried the genetic provisions in this bill. Just as I have said, it is the commercial, hence the biological monopolies, which stifle genetic diversity. By encouraging the developing world to buy into the market system, we are encouraging them to use their environmental capital.

We have done it to our own native peoples here in Canada. We have somehow come with a great deal of ego, thinking that we know best how the native people of our land should be running their economies. Only now are we adopted some humility, to admit we have really messed up. I think that same degree of humility should be adopted with regard to the Third World because we are messing up there too with mono-cropping and the elimination of biological diversity.

We believe that the passage of plant breeders' rights legislation contributes directly to genetic erosion.

Of course, I care what is happening on the the farms of Canada. I am concerned about the farmers who feel that their options are limited by the economic circumstance in which they find themselves and by the trade policies which this government has imposed on them by adoption of the free trade deal.

I am also concerned about our world. It is not just Canada that we should be worried about. I have said repeatedly that we are seeing the very beginnings of a global consciousness environmentally, but we have not quite reached that consciousness politically and socially.

If this government adopts this Bill C-15 then I think it will only make the lives of Third World farmers more miserable. It will only increase the devastation to the environment of the developing countries. How can we expect the Third World to participate as equal partners in the crisis that is facing us if we do not give them the assistance to become that full partner. The adoption of this bill would be a repudiation of the Third World. It would mean that we are willing to go along with the

process and many other such initiatives of this government.

Our opposition is firm. It is with extreme disappointment that I see that the Liberal party has capitulated to the market philosophy that this bill is necessary. Even if Third World countries do not have plant breeders' rights legislation, they are not immune from the pressures our Canadian farmers have felt. Dr. James Thomas, formerly with Agriculture Canada and now with a consortium for international development notes that Bolivia is already feeling the effects of reduced source of seed competition because the multinationals have already purchased a number of smaller suppliers and then only provide one most profitable line from among those purchased.

This bill is just a blank cheque to the multinationals to come in and take the resources and make lots of money without giving any to the people who developed those resources originally. It is very much, as my colleague, the member for Mackenzie has pointed out, the plundering of Third World resources.

In conclusion I would like to reiterate that we in the New Democratic Party are strongly opposed to this bill for economic reasons, moral reasons and international development reasons.

The four points I have made throughout this address were: first, intellectual property; second, the farmer's rights in the developing world to have recompense for their development of seed varieties that we have used to our profit; third, the whole trade dynamic and the globalization of trade; and fourth, the genetic erosion.

Madam Speaker, this will be a sad day if Bill C-15 is passed. I know that the amount of mail that I have received on this issue has been disproportionate to the amount of knowledge that exists out there in the community. The people who know about this know the consequences of this legislation, and the are very active in their communities. They will continue to make the Liberal party very uncomfortable in supporting this legislation. Our position in our party is clear. We think this is a bad bill. It is a bad bill for Canada and it is a bad bill for the world.

• (1530)

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I would like to thank my colleague for an excellent speech on a subject that is not only of grave importance to this country, but to the world as well, as she so ably pointed out.

I was wondering if the hon. member could pursue how deeply we are indebted to the agriculturalists of the Third World for having protected over the centuries, quite literally, the gene pool?

Ms. Hunter: Madam Speaker, I am only too pleased to speak from personal experience on that question.

When I was in Africa in 1986 working for OXFAM Canada, I went to northern Ethiopia, to what Ethiopians call the country of Eritrea. It was a country at war, a country devastated by famine. What I saw there in a number of places were agricultural experimental farms doing miraculous things under very, very hard circumstances.

Madam Speaker, you have seen the television images of that country that has been devastated by famine. I am sure that your imagination can go on from there.

Those agricultural experimental farms were the product of centuries of knowledge. The people of Eritrea in northern Ethiopia have, through their skill and through their knowledge, developed seed varieties that are particularly successful in that area. It was like a garden of Eden in northern Ethiopia. Those people are the ones to whom we should be very grateful.

Ethiopia was the breadbasket of the world, as I said in my address. Now that we are encouraging the developing world to become part of the global economy, we are forcing that knowledge away from them. We are taking it. We are stealing it. We are using it and not paying for it.

As I said, this plant breeders' rights legislation forces the Third World into a weakened position. Hundreds and thousands of people were dependent upon the seed varieties that were used at the little experimental farm I saw in northern Ethiopia.

This is where the morality of this bill comes in. If we are willing not to pay them for their resources, then we have a responsibility to assist them with food aid, with increased development assistance and other options. We

are doing none of that, because we do not want to get involved with the political complications of that country.

When we try to get the interlink going, as I have done in both the external affairs committee and the environment committee, it is met with a great deal of frustration.

I thank the member for his question. It is a very good one. We always feel very good about the kind of assistance we give overseas, but we have to look at the big picture. We have done very well from their resources. We have profited from them, and we are not paying for them.

Mr. Vic Althouse (Mackenzie): Madam Speaker, I would like to pursue this matter further with the hon. member for Saanich—Gulf Islands. She made it very clear where the varieties of wheat, in particular, originated, as well as some of the other cereals. Northern Ethiopia and the general area of northeast Africa is the centre for much of the genetic diversity in those cereals, particularly wheat.

Just as an aside, the opening of western Canada was made possible by the introduction of a variety from northern Kenya, not too far from that area. It has been fairly successfully economically in turning that area into a breadbasket as well.

She made it quite clear how the farmers through selective breeding have continued to keep a wide diversity of varieties and a big genetic pool of material available for everyone on the globe to use.

I did not finish hearing the story about how the northern countries are now changing the law so that they can patent the plants that they develop from these varieties and then force the Ethiopians and Eritreans to pay a royalty if they decide to use the results from those plants for their commercial farms. The same thing is happening in Peru and Bolivia, which is also a centre for diversity for other types of plants.

This is the point that we have been trying to make, and the hon. member has made it very well. Would she tell us what she thinks of making the north-south split even stronger by changing the rules for the northern countries, giving them a very big advantage economically over those countries that have been so forthcoming and giving of their thousands of years of looking after those plants and that genetic material?

Ms. Hunter: Madam Speaker, I thank the member for Mackenzie for that question. He was very forceful in the legislative committee to try to get accepted an amendment that would have prevented this from happening, an amendment that would have recognized the very large gift that we have received, or that there is a reciprocal arrangement. It is a gift, if we pay for it. It is theft if we do not. That is exactly what is happening.

Dr. Otto Frankel, the Australian geneticist, has been, as I said in my address, very passionate in his opposition to this legislation for that very reason.

Environment Canada says a lot of nice words about genetic diversity. Why can Agriculture Canada not see the same thing? There is a sort of contradiction here. One wonders whether the left hand knows what the right hand is doing.

If we are going to be environmentally sensitive we have to understand that that must extend beyond our borders, and that the kind of economic advantage that we have in Canada carries with it a large degree of responsibility. The adoption of this bill is the abrogation of that responsibility.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, it seems to make very little difference what government bill we rise to speak on in this House. The reasons given by the government for having to bring them in essentially boil down to a matter of economics. In many instances that is one of the major rationales that the government has mentioned for bringing forward legislation.

The plant breeders' rights bill is no different. I would suggest that in addition to the pleas for fiscal responsibility that it is also merely a way of furthering the Conservative agenda which is a matter of privatization. Bill C-15, if nothing else, is precisely that. It is the privatization of the genetic furtherance of plants in this country. Of course the government is so fond of saying that it goes beyond that, as it does with the GST. It says: "There are 40 countries that have brought in a GST so we have to do it".

It is not able to say that there are that many countries around the world which have brought in plant breeders' rights legislation. There are 18. Even so, the small number of 18 is a sufficient number for the government to use as the reason for bringing in plant breeders' rights. I would say that the me, too, issue is just another part of the smoke and mirrors which is an excuse for the government to do what it wants to do, which is to

privatize and deregulate. Certainly, deregulation is part of it as well.

• (1540)

If this government thinks that it is going to be able to have as much control over the breeding, proliferation and even the transportation of plants, cereal grains and so on across the border as it has now, then it is certainly very much mistaken.

As has already been mentioned by other hon. members, it was shown by the United States agricultural people that plants and cereal grains developed in the United States under this privatized system of raising plants in trying to help cereal grain growers come to grips with problems, whether environmental or bacterial, is not as efficient. The United States agriculturalists found that Canadian-bred cereals were superior to those which were developed in the United States. My party and I have maintained, and a good many other organizations which I shall mention subsequently have verified, that cereal grains developed in Canada are superior.

During the course of some of the speeches by government members at a previous debate in the House, I was not surprised that the idea of the budget was mentioned. As I said, there does not seem to be any area where they do not seem to be able to work in the need to cut costs. I would suggest that this is one more case where it can be demonstrably shown that this government is penny wise and pound foolish, as the saying goes, and I will get to that a little bit later.

There is ample evidence to show that the way plants have been developed is cost-effective for Canada, as well as for other people around the world, whether it is matter of being able to grow the crops, or because Canada is a rather large supplier of cereals to the world.

I suggest that there are other instances where the government has demonstrated that it is penny wise and pound foolish. One such instance relates primarily to the concept of research. In spite of all the fine-sounding rhetoric that we have heard from the government in relation to scientific development, and in particular, references to its Centres of Excellence, it really does not have much of an idea what really constitutes research. It certainly does not recognize it when it occurs.

I would like to refer quickly to something all together out of the field of agriculture, for a moment. In retrospect, I do not see how Canadians can help but realize—although this government does not—that what really occurred with the aircraft companies Canadair and de Havilland was really investment in research by the people of Canada. For the government to have sold off and privatized the production of aircraft in Canada was nothing more than the giving away of a tremendous amount of research done and paid for by Canadians. It was done with the marvellous expertise that we have developed. I cite those as examples to show that this government really does not know what on earth research is.

However, there is an even better example of this, which illustrates that the whole concept is endemic within the Conservative party and that it goes back a long way. That is precisely what happened to the Arrow aircraft. A previous Conservative government did pretty much the same thing with it as it did with Canadair and de Havilland. It gave away Canadian expertise. Actually, in that case it did not give it away, it burned it and cut it up with a cutting torch. Those very expert Canadians who had developed that magnificent flying machine then went to the United States and, in good measure, assisted in putting the Americans on the moon.

I will get into some of the specifics of what I see has happened with respect to research in agriculture in Canada in a moment in a context similar to the one I just referred to involving the aircraft industry.

We have predictions that this measure is going to be a panacea for Canadian agriculture. It is going to make Canadian agriculture more efficient and more productive. We have heard these kind of predictions before. We have heard these kind of predictions in relation to our forestry, and look what is happening there. Our forests are being depleted at a rate from which it will be impossible to recover.

Even more obviously—and in relation to incidents which happened in the maritimes as recently as yesterday—we are hearing the same kinds of glowing predictions in relation to the fishery. These are predictions which we have received from this government in previous years—certainly ever since it came to power in 1984 and while the Conservatives sat in opposition. We

heard all the things that they would be doing if they were in government.

We have seen as a result of government actions that it has devastated the forestries and the fisheries. I would suggest that there is no reason in the world why we should in any way assume that its predictions in so far as what will happen if plant breeders' rights are instituted in this country that the results will be any different.

The assurances that we are going to become productive and efficient are just not anything that we can take any stock in at all, as was the case with other programs which the government brought in since the last election. I have a particular specific interest in unemployment insurance. We have seen, again, that the government claims in the most glowing of terms that Canadian workers are going to benefit enormously because of the changes to the unemployment insurance program. The results are precisely the opposite. Hundreds of thousands of Canadians are not going to be eligible to receive unemployment insurance at all. Thousands and thousands more than that are going to find that their benefits will be reduced as a result of this government's changes.

This brings me back again to the idea of cuts, cuts, cuts. Considering all the references to the budgetary problems of the government in relation to this particular debate which have been made, one of the main reasons that it is bringing in plant breeders' rights legislation at this time is that it does not like to see public money going into a marvellous Canadian government department, that of Agriculture Canada.

Something that we western Canadians appreciate is that 88 per cent of the grain and oilseed stocks in western Canada are a result of the development of those stocks within Agriculture Canada. I come from Saskatoon. I know very well that the past history of the development of these varieties and the diversification of varieties in Canada is in no small measure a direct result of the research which has gone on at the University of Saskatchewan which is in the city, part of which I represent.

I would like to point out in another context how enormously beneficial for all of Canada is public participation in the furtherance of scientific development in our community. We are all very well aware—and sometimes we have slightly differing views—of the oil sands projects in Alberta. Should we develop megaprojects or should we not? Most Canadians are probably not aware that the technology for the extraction of oil from the tar sands was not developed by Shell Oil, or Imperial Oil, and certainly not by Petro-Canada, which was not in existence at the time, or by Sun Oil, which is one of the major operators in northern Alberta around the city of McMurray, but by the Northern Alberta Institute of Technology. Public money is what developed the ability of the Canadian oil industry to be doing what it is in the tar sands of northern Alberta.

• (1550)

We have a similar example in the Department of Agriculture. It was the Canadian public agricultural research institutions in Canada which led to the world-wide use of canola as feed and as an oil product. The crop now known as canola, and formerly called rape, was used for its oil. That oil was poisonous and was used as an industrial lubricant particularly during the war when there were problems with the availability of petrochemical substances usually used for lubrication.

It was technology from these public research institutions that led to the modification of that crop from the point where it was poisonous as an oil to people and livestock, as was the meal, to the point where it is now sought as both a meal and as a consumable oil for livestock and people on a world-wide basis.

What the government is proposing through this legislation is a move away from that concept. I would not say that it is a uniquely Canadian concept. I would say that it is a concept within our country solely consistent with our nature as Canadians to develop these kinds of things not only for our own benefit—and certainly not with the prime requisite that it be profitable—but for the benefit of the community in which the research is done, and that it serve the world-wide community. That has been demonstrably the case whether we are talking about the development of insulin or about the modification of rape into canola, from a poisonous substance into an entirely edible substance by animals and humans in the form of oil or meal.

As well the evidence is that multinational corporations are not something with which we as Canadians have had a tremendous amount of positive experience. The fact of the matter is that when this bill goes through, what we are going to be looking at is a concentration in the hands of multinational corporations whose primary interest is the development of seeds and crops, along with the development of fertilizers and pesticides to go along with them. It comes down to a question of why would we turn our source of food supply over to some organizations over whom we have so little control?

There is no evidence that the multinational corporations which are so involved in the grain industry and in the chemical and pesticide industry have the interests of the Canadian public as their primary interest. In fact, there is evidence which will indicate—and we will get closer and closer to the threshold—that even human genes are being introduced into some plant and animal varieties.

This morning I heard some questioning from the government side with respect to the veracity of this type of scenario. If there is anyone on either side of the House who thinks that the introduction of cereal grains, oilseeds and other plants as well into our agricultural industry, whereby the companies will not be able to breed them in such way that they are specifically resistant to only their chemicals—whether they be fertilizers, pesticides, or herbicides—then I suggest that such a person certainly does not have a very good grasp of the kinds of mentality, the kinds of thinking, the kinds of imagination, if you will, within the laboratories of the companies involved in pesticides, plant breeding and fertilizing within this nation.

I would like to refer to some of the organizations. This morning one of the members opposite disparaged the remarks of a Mr. Mooney. Mr. Mooney was speaking on behalf of several organizations. I would just like to read off a few of them, if I may. The inference was that he was only one person speaking for one person. This is who Mr. Mooney was speaking for.

He was speaking for the National Farmers' Union, the Canadian Catholic Organization for Development and Peace, the Canadian Environmental Law Association, the Canadian Labour Congress, the Council of Canadians, Ecology Action Centre, Friends of the Earth, Friends of the Rainforest, GATT-Fly, Inter Pares, the Manitoba Council for International Co-operation, the Marquis Project, Mouvement Agriculture Biologique au Quebec, Ecological Agriculture Projects of MacDonald College, McGill University, One Sky, Oxfam-Canada, Saskatchewan Council for International Co-operation, Ten Days for World Development, the United Church of Canada, Wild West Organic Harvest Co-op and World Inter-Action.

My concern is the same as the concern of those people. I thank you very much for your attention, Madam Speaker.

Mr. Steve Butland (Sault Ste. Marie): Madam Speaker, I know very little about plant breeders' rights, just as my hon. colleague knows nothing about lamprey eels. So we are on a similar plane.

I am certainly glad that I spent the 20 minutes here to listen to his speech, because I have learned a great deal. I think that the members across the way have also learned a great deal. My hon. colleague is very convincing and persuasive. I am just wondering why we are alone in opposing this particular bill and why the Liberals are not with us. It is very mindful of the GST.

What is the rationale for the government putting forward this bill? Why are they for it? In just a few words, tell us why it is for this bill?

Mr. Fisher: Madam Speaker, the answer is rather obvious. We come back to the same motivation which fuels the engine of the government opposite, privatize. A good portion of development has been exemplary worldwide by Canadians in many different fields.

• (1600)

The reason I went far afield from agriculture was to emphasize the contribution that Canadians have made, sometimes a little more specifically to our own society, in relation to some of the smaller aircraft companies which I did not mention. We did just toss them away for a pittance, after having spent enormous sums of money on them. It is a matter of privatization. This government cannot stand the public sector being so obviously successful as it has been in the development of agricultural crops and so on within this country.

I really have no explanation why the government cannot stand this, except that I suppose it sees a potential for profit because it is obvious that once this bill passes, the profit motive will become the engine which fuels the development of agricultural crops within this country. The fact that Agriculture Canada will receive 60 per cent royalty on crops which it develops does not come anywhere near to ameliorating the devastation that is going to occur as a result of this

deregulation. This is another reason for the government doing this. It is not only privatization, it is deregulation.

Then you get companies such as Cargill. It is unbelievable the amount of money the government of Saskatchewan is guaranteeing to this company, a company which last year made a $35 billion profit. I would suggest, Madam Speaker, that this is about seven times larger than the provincial debt and is sufficient to be able to buy out the province of Saskatchewan along with its debt.

Not coincidentally, the money going to the Cargill corporation is for the development of a fertilizer plant. Although if you were to simply look at the commodity markets around the world, you would think it was a mere trader in grain. Of course, it goes far beyond that. It is a matter of privatization and deregulation and getting the government out of involvement in this. Profit for the private sector, that is what it is all about.

Mr. John Brewin (Victoria): Madam Speaker, when the history of this Parliament is written, I would not be surprised if this bill that the House is poised to adopt today will prove to be one of the most important pieces of legislation and one which stands to its great discredit.

The fact is it is going to be adopted because both the Conservative government and the Liberals are determined that it should go through. It is only the New Democratic Party that is standing in this House to oppose this Draconian piece of legislation. It is very interesting to me that, perhaps because of all the furore over issues like the GST, free trade, UI, and Meech Lake which have dominated the news, it is a bill like this which may, in the end, have the most profound effect on the lives of future generations of Canadians and of millions of people around the world.

Bill C-15 has the effect of causing Canada to join with other predominantly western countries to privatize a very key area of life on the planet, the development and control of seed and plant genes. If this bill passes it will set conditions on the sale of what is bred and of what is discovered. It will provide an effective subsidy to transnational corporations and it will apply effectively an industrial patent system to living things.

It has been interesting to me that the bill, notwithstanding the lack of general attention given, has nonetheless generated very considerable concern across the country. From my own constituency of Victoria, I have received many, many letters from people expressing their grave concern about this bill and I would like to put some of them on the record. I hope I am not embarrassing anyone by including them in the record of *Hansard*. I have a letter from Mary Lanceley who writes:

> I understand that Bill C-15, which relates to the patenting of seeds is about to be pushed through the Commons while nobody is looking. It will put the control of the sale and the development of seeds into the hands of a few large companies. Most of these companies also are related to petrochemical and pharmaceutical branches. It stands to reason that the seeds developed and sold by these companies will be those which require increased use of fertilizers and pesticides. Old reliable seeds will no longer be available. This poses an increased threat of chemical pollution in our environment and further toxicity of the food we eat.

The letter concludes:

> Many people are alarmed, and rightly so, at the threat of extinction of various kinds of animals; we should be equally concerned about seeds. We will lose some irreplaceable plant stock if this horrendously wrong bill is allowed to pass.

I have a letter from Richard Johnston and Esther Muirhead from Victoria which reads:

> I strongly oppose Bill C-15 and I want you to stop its passage.
>
> The Plant Breeders' Rights Bill will allow a few international corporations involved in plant breeding to control privately, research and decision-making regarding the genetic material upon which we all rely. These corporations are closely linked to the petrochemical fertilizer industry.
>
> The Third World is at risk of losing ancient seed strains in the push toward cash production of food crops for urban populations. Locally rich and diverse and often undocumented varieties of seeds that resist certain local pests and diseases will be threatened by the freedom of corporations to patent new seed varieties they develop or discover.

And, in effect, I may add, to control the release of those varieties. The writers go on:

> The extinction of genetic material on this planet is increasing daily; control of the preservation of genetic diversity needs to remain in the hands of public institutions.

One more letter from M. Johnson who writes:

> I have just heard about a disturbing bill and am told it is rapidly approaching its third and final reading while most Canadians remain ignorant of it. I wish to direct your attention to Bill C-15 and express concern about the failure to inform Canadians about this bill. It has enormous ramifications for us all in terms of health and environmental concerns both locally and globally. As such it deserves a fair and public hearing across Canada. This bill, although it seems non-threatening on the surface is a very dangerous one in reality. As it will only be a benefit financially to a small number of chemically based multinational corporations it clearly is not in the best interests of the Canadian public. I do not understand how a government that openly declares a genuine concern for the fate of our environment can then offer this invitation to chemically based corporations to further monopoly of our food supply.

I want to deal with a number of specific concerns about the plant breeders' rights bill. The first is the effect of the patent on life forms. I simply cannot believe that the government and the Liberals understand the precedent that this bill creates. We are told there is no scientifically detectable difference between the genetic material of plants and those of animals. Transgenetic technologies are already in place and already being used. The legal definition of plants will begin to blur into the legal definition of life forms. The precedent which this bill creates imposes a challenge and a threat in the long run to the very existence of life itself because it offers the first legal step toward the ownership of a key form of life, a form of life which is not distinguishable from that of animals.

• (1610)

I put the question to the House: the world's plant resources are a common heritage; should one segment of our society have private control over this precious and vital resource through the use of patents? That is the issue in this bill and that is why we are opposing it with all the force that we can muster in this House.

A second concern is that of corporate concentration which this bill encourages and on which Canada has now folded in front of a multinational corporate drive to control plants and seeds on the planet. Of 10 major international seed companies, eight are incorporated with transnational petrochemical and pharmaceutical companies. They are the Royal Dutch Shell, Union Carbide, Monsanto, Ciba-Geigy, Upjohn and other big business conglomerates which have been acquiring hundreds of seed companies over the past 20 years. When they get the power in Canada that this bill gives them, they will join that with the power they have acquired in other countries to completely control the development of seed life in the planet.

Conglomerate food processing corporations are already dabbling in the seed business indicating the push toward corporate control from seed to table. In 1970 in Britain when they adopted the equivalent of this legislation, within a week 84 small seed companies were bought out by one multinational giant.

The European Economic Community, which has similar legislation, recently issued a catalogue of what was permitted in terms of seeds. The effect of that catalogue was to make illegal over 2,000 vegetable varieties in England and Europe. To sell them would be violating a patent owned by one of the corporate seed merchants.

The Liberals and Conservatives who are supporting this bill simply cannot understand the impact it will have on the environment and the effect on the extinction of genetic material. Already the diversity of crops on this planet is threatened in the same way that other industrial developments are threatening animal and bird life on the planet.

This bill is a companion to the impact of the industrial revolution on the global planet. If we step back from the monster that science has created and ask what we are doing to control those developments, we find that with this bill we are not only accelerating the development of the control and reduction of seed and plant variety, we are turning it over to private multinational conglomerates. We are taking out of democratic public control the need to ensure a diversity of genetic pool on the planet.

In 1978 Great Britain lost 700 non-traditional synonyms, which are varieties very much alike. Since then Britain has lost 874 varieties which prior to the adoption of their legislation were distinct, stable and uniform and had a quality of value to gardeners in Britain. Erna Bennett, a former staff member of the Food and Agricultural Organization in the United States, estimates that 75 per cent of vegetable varieties currently planted in Europe will be extinct by 1991 if current policy is continued.

By the year 2000, which is only a decade away, the FAO estimates that two-thirds of all plant seeds planted in the Third World will be of uniform strains. We are losing our genetic reservoirs which are our built-in production against changes in climate or the ecology of the world's food-growing lands. We have already heard in this debate the connection that this bill sets up with the

chemical industry and the direction that this goes. Presently there are 4,000 registered pesticides in Canada. With this bill we will add to the danger that by some chemical fluke we will suddenly wipe out a whole food strain or a whole plant strain. The sale of chemicals to control pests and disease has increased 32-fold in 35 years and is now a major threat to the plant life in North America.

My colleague from Saanich—Gulf Islands added yet another point which was critical to the consideration in this debate, and that is the effect on people in the Third World. We are really joining a consortium of already rich countries to further choke off the potential for self-sustainable agricultural development in the Third World and to further build a monopoly that will cause increased poverty and economic degradation in the Third World. Ninety-five percent of all global human nutrition is derived from only 30 plants, all of which originate in the Third World.

Over the century, the knowledge and skill needed to carefully select individual seeds for the next planting have been the specialized domain of subsistence farmers—mostly women, I may say. This heritage is simply not recognized by this bill and its companion pieces in other countries. It is the heritage that has given the world its basic genetic material for most of the food which is grown around the world today.

Bill C-15 would give the right to private companies to patent, not only seeds which they develop, but the seeds which they discover. If this bill is allowed, the valuable natural resources located in the world's poorer nations will become wide open for exploitation by these private multinational corporations, based primarily in the rich north. Most of the fruits, vegetables, crop plants grown in the world have come to us from hundreds of generations of careful selection and cultivation which has been carried on by agriculturalists all around the world. This bill seeks to use the sovereign power of this legislature to turn over into private hands the control of that development in the generations ahead.

There is little wonder that this bill has generated opposition, not only in Canada, but from around the world. Organizations within the UN system, the UNEP, FEW, UNESCO, UNCTAD, WHO, the World Food Council and the Brundtland Commission, all of these international organizations oppose this development. This House should listen to the agricultural organizations throughout Canada and around the world.

My friend from Saskatoon—Dundurn outlined the number of international development organizations in Canada, including OXFAM Canada, that have opposed this bill. It is opposed by universities, and by individuals who have been reading the provisions of this bill, listening to the discussion, and understanding that this bill must not pass this Parliament. It has not received the attention it deserves across this country.

In conclusion, I say that when the history of this Parliament is written, it will be the vote of those members who support this bill who will be remembered by future generations as one of the great mistakes they have made in this Parliament.

An hon. member: Hear, hear!

Mr. Brewin: It is a bad bill. It ought not to be passed.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Before proceeding with questions and comments, I would like to make the usual statement. 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 New Westminster—Burnaby (Ms. Black)—REAL Women; the hon. member for Burin—St. George's (Mr. Simmons)—Air Canada; the hon. member for Restigouche—Chaleur (Mr. Arseneault)—Forestry development.

• (1620)

[*English*]

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I was amazed at some of the information that the hon. member from Victoria included in his remarks.

The information regarding the number of varieties that have literally been declared illegal in countries where similar legislation was introduced previously is very useful. Many varieties of vegetables and so on were simply no longer available to people because, presumably, the companies that held the patents for these seeds decided that they would no longer be on the market.

I am wondering if the member could expand on the process that is in place in those countries that would literally take existing plant varieties off the market. Would he remind the House of the dangers of that kind of activity happening here?

Mr. Brewin: Madam Speaker, I am pleased that the member asked me the question, but I have to confess a certain nervousness as he begins to plumb the depths of my knowledge of some of the details of this bill.

I will take a shot at it. I am learning that in this place—particularly associated, as I am, with members from Saskatchewan—that it is possible to talk for at least 20 minutes on a subject that one does not know as much about as one might like. I am fully persuaded of the importance of this bill, and that represents my independent judgment. I certainly do not back off any of the remarks that I made in my speech.

As well, the process that has been operating here and that gives effect to the development to which my hon. friend refers is very clear. Quite simply, when a bill like this passes, the large multinational corporations that are already in the field, particularly the seed companies, get the advantage of this, acquire a patent and ownership of the particular seed and its relatives, and then control the market. These are primarily seed companies but also other companies that are getting into the business and that are part of the consumer food chain, or in the business of selling fertilizers and related products. These corporations control the market. It is only these seeds which can be legally sold under European law.

When this kind of legislation was adopted in every country in Europe, only a relatively few seeds could be legally sold. All the rest were effectively banned by the impact of the patents acquired by the multinationals.

The particular risk that we now face is that not only will the patents be made available effectively into private hands, the number of companies operating will decline. The companies get bigger and bigger, and are harder to control by national legislatures and parliaments. This results in increasing narrow control of this very vital area of human existence.

Mr. Vic Althouse (Mackenzie): Madam Speaker, the hon. member for Victoria opened a new element in this debate with his closing remarks just now.

I wonder if he, who is learned in the law, could explain to me and to this House how it is that a government that claims that it is trying to open the world to freer trade, access to business, individual enterprise and so on, could possibly put forward a bill like this? It closed off access to plant genetic material and permits it to be monopolized by a few multinational corporations. How is the government's philosophy of free enterprise consistent with a bill that, in fact, restricts the ownership and control of most of the globe's genetic resources to a few multinational corporations, resident in the developed countries?

Mr. Brewin: Madam Speaker, I thank the hon. member for Mackenzie. It almost invites me to launch into a discussion of how we got into free trade, into the GST and all the other issues which this government has foisted upon the Canadian people.

Let me, without extending this discussion too far off the subject, just simply say that this bill is entirely consistent with the philosophy of this government, that is to say, it will serve, in the final analysis, the interests of big business and of the large corporate power in this country and in other countries, particularly the United States.

When the crunch comes, that is the way this government operates on every single issue that comes before it. This is not a free enterprise government, this is a capitalist government. This is a government that responds to power in our society, power that is primarily resident in large corporations. When the big corporations came forward and said they wanted this bill, they got it. That is what has happened.

Mr. Gustafson: The hon. member, speaking on plant breeders' rights, in my opinion has misrepresented the bill in the sense that this bill does not preclude the government or any organization from competing in plant breeding.

In fact, this bill will enhance and encourage this. If one wants to talk about the political philosophy of the NDP, we can look at some examples of 75 years of socialism in eastern Europe which has fallen flat and which is an example of the kind of thing that the NDP is recommending here in the House.

This does not preclude, in any way, the government from competing, whether it is at Swift Current, Saskatchewan, or whether it is at Indian Head or any of the areas

where plant breeding takes place and from where we have received some of our varieties.

Also, there is misrepresentation on the European situation. Some of these varieties were catalogued and, in fact, duplicated, as was raised earlier. We are really talking here about the NDP philosophy versus any private opportunity to enhance plant breeders' rights for the farmers and for better varieties of grain of which we have seen example after example.

Mr. Brewin: Madam Speaker, before this bill goes through, the current situation is that anyone who wants to get into the business of breeding plants can do so. What they cannot do now is control, for commercial purposes, and sell the effect of their discovery in the same fashion that will be possible after this bill. On the surface it seems that after this bill passes everybody will think they can develop a new plant and become rich. The fact is, if I put the hon. member for Souris—Moose Mountain on the same rink with Wayne Gretzky, I do not think the comparison would be very easy.

You are putting everyone who is in the business of breeding plants in the same field with huge multinational corporations who will quickly buy up the developments that have taken place. My friend may think that that is a good system but I can assure him that the effect of that system will be that the economy, and particularly the economy in this area, will be increasingly controlled by the few at the expense of the people as a whole.

ROUTINE PROCEEDINGS

[*English*]

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

TABLING OF REPORT OF HUMAN RIGHTS COMMITTEE OF THE UNITED NATIONS

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Madam Speaker, on behalf of the Minister of Indian Affairs and Northern Development, I would like to deposit the report of the Human Rights Committee of the United Nations, as was promised during Question Period today.

GOVERNMENT ORDERS

• (1630)

[*English*]

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mazankowski that Bill C-15, an act respecting plant breeders' rights, be read the third time and passed.

The Acting Speaker (Mrs. Champagne): The period for questions and comments is over. Resuming debate with the hon. member for Okanagan—Similkameen—Merritt.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, since I was elected to this place I have watched the plant breeders' rights legislation go through its various stages, first and second reading, report stage and now into third reading. I am from an agricultural area that deals in ground crops and fruits. I have received substantial correspondence from various constituents, and I can say that all of the correspondence was against the plant breeders' rights. They set out a number of reasons why. I would like to bring to the attention of the House some of what was said in some of those letters and petitions that were presented to me.

I became curious about the contents of this bill, exactly why my party opposes it, and why it was so upsetting to so many people within the riding of Okanagan—Similkameen—Merritt. Why is there a a diversity of views from one area to the other?

Let us review the legislation in simple terms. First, the legislation governs only the varieties produced after the passage of the Plant Breeders' Rights Bill and the breeder of any new variety will hold exclusive rights to sell reproductive material of the variety for up to 18 years. On the surface, that appears to be desirable for an individual who establishes or breeds a new variety to get some benefit from that. If that was the purpose of this bill, perhaps it would be a laudable and agreeable piece of legislation.

However, if we look at what has happened in all of the other countries that have plant breeders' rights legisla-

tion, unfortunately that does not appear to be the case, as has been set out time and again by many of the debaters here today. It will increase the control of larger corporations in the area of plant breeding, seed stock et cetera. This, I would suggest, is not a desirable thing for Canada or for the world market, for that matter.

If someone wishes to sell a variety, they must have the breeder's permission and the breeder will have the right to receive royalties. As I said, this would not be so bad if it was the individual who was going to profit by it without being hurt.

Further, anyone can use a protected variety for plant breeding. To be granted a right, a variety must be new, distinct, uniform and stable. To protect the public interest, the breeder will not be able to restrict the supply of the variety to boost prices.

It has been suggested that a advisory committee with representatives from all sectors, including farmers, seed growers, plant breeders and seed merchants will be established to advise in the administration of the legislation.

It will be several years before all major Canadian crops are covered since each species will be researched before regulations are established for it. What are the objectives and expected benefits of this? We are told the legislation will stimulate investment in plant breeding in Canada. It is further argued that more improved varieties, both domestic and foreign, will be available for Canadian producers.

We are told the bill will permit the collection of royalties on Canadian varieties sold both in Canada and abroad, and the production in regions such as the maritimes will benefit from access to European cereal and potato varieties, that export sales will increase because of increased promotion of proprietary varieties, and that Canada will have a system compatible with other countries that have similar legislation, increasing the opportunity for export of Canadian varieties.

There are, admittedly, some major supporters of plant breeders' rights within Canada. In my mind, looking at the background and what has happened in other countries, the crux of the whole argument is who will control the seed stocks for our various plant varieties and how it will affect the majority of us as Canadians.

In researching this issue, it has been predicted that price of seed stocks will increase substantially. In one study in Manitoba, the prediction was that seed stocks would increase some three times. That causes some difficulty for farmers who already have their backs against the wall.

The major concern is the monopoly control that is apparent when we look at the history of plant breeders' rights throughout the world. There have been over 1,000 corporate takeovers of seed companies since 1969. There is a tie-in with the seed companies and the fertilizer and chemical companies. It appears that one ensures that there is control over the other. Many of the purchasers of these companies sell fertilizers and chemicals. In the 1970's, there were 30 companies that produced crop chemicals. Now there are about a dozen. Within a decade, the industry itself says that only six will remain.

It is interesting to note that under the European and United States plant breeders' rights legislation, 90 per cent of all seed patents are held by a handful of multinationals. That is the key, they are held by a handful of multinationals. It has been predicted that after the year 2000, 10 to 20 major corporations will dominate the seed market.

For myself and many of my constituents, this causes a major problem. The control of our basic food stocks by a few large multinational corporations sends shudders through me when I look at what is necessary for our very life on this planet. All of us need food to exist. If food is controlled, prices can be altered and increased or supplies can be held back for the increase in profits by multinationals. That is not something that I would like to see happen here in Canada, in particular, but I would not like to see it happen anywhere.

Let me turn now to some of the things that people in my riding have brought to my attention. I was presented with a petition which, unfortunately, is not in a form that is presentable to the House. Thirty-two people in the riding have sent it in to me to indicate their unhappiness with Bill C-15. They all feel that this gives the large conglomerates too much control of seeds. They are asking me personally to strongly oppose the bill. The petition simply states: "We, the undersigned, are against private ownership of genetic information and thusly we

oppose Bill C-15". It is signed by constituents throughout my riding in Penticton and in Naramata.

• (1640)

I also received a number of letters and I would like to share with the House one that was written to the Minister of Agriculture by Sharon Rempel of Keremeos in June, 1989. In part, she states:

> This bill should be scrapped, and funding and research directed towards provincial plant breeding programs. Adequate gene bank facilities should be made available in all areas of the country, and continued free exchange of materials with other countries encouraged.
>
> As a heritage seed saver I have heard from growers in countries with plant breeders' rights that access to old varieties becomes difficult, or even illegal. I do not want that in Canada. This aspect of a free market system is free only to the breeders, not to the rest of the population.
>
> Please stop this bill before it is given final reading. I urge you to do so for the sake of sustainable agriculture, and the survival of genetic diversity in this country, and globally. Preservation of the plants should be done in the fields, not in the courts.

That letter was from Keremeos in the Similkameen Valley. I have a further letter from Naramata in the Okanagan in a similar vein from Daryl O'Neill who states:

> I am writing to you to voice my strong opposition to C-15, the Plant Breeders' Rights Act. There is nothing more crucial to the welfare of a nation than its ability to feed itself, and I see that this bill, C-15, seriously compromises Canada's ability to do that, for the sake of multinational profits. Genetic diversity is threatened by the increasing reliance on over-developed, highly specialized hybrids, and the resultant loss of older standard varieties of plants. This could have disastrous consequences, as the 1970 corn blight in the U.S. indicates.
>
> To conclude, I cannot express my extreme disappointment that your government would once again try to foist this odious piece of legislation upon us, for the benefit of corporate shareholders, to the detriment of Canadian citizens.

That letter was sent to the Minister of Agriculture on July 10, 1989.

Harry Nagel from Penticton writes:

> Farming, especially smaller operations, is a marginal business. Keeping costs down is very important for growers. Is it not obvious that when the company that provides the seed also provides the agri-chemicals it is more likely to impact negatively on growers?
>
> Although there are many other very good reasons for scrapping Bill C-15, my main concern is the promotion of chemical-dependent plant varieties and their apparent and hidden costs.
>
> I encourage you to consider the impact on the smaller players by this legislation.

That is a sample of some of the opposition in the riding of Okanagan—Similkameen—Merritt. It puts this legislation in a broader perspective and outside of the area of plant breeders' rights. There must be a harmonization of the plant breeders and the plant breeders' rights with other countries, and particularly with the United States. I would like to digress for a moment and discuss the area in the Okanagan and Similkameen valleys that I come from and some of the difficulties we are already having.

As Mr. Nagel stated in his letter, farming is a marginal business, at best. Certainly, that appears to be the case throughout the Okanagan and Similkameen valleys, where more and more through the attempts at harmonization, through the free trade agreement and GATT, the farmers in my area have been hurt and this bill simply adds to that.

What we have now as a result of the free trade agreement and GATT are thousands of acres of empty lands where grapes used to be grown. Throughout the Okanagan and Similkameen valleys we now have acreage where soft fruits were previously grown which have been pulled out. Again, it is a matter of harmonization with the United States, doing what they see as necessary in order to make us more like our brothers, sisters and relatives across the border.

We are not like people in the United States. Certainly, we are related often by blood and otherwise, as I am myself. But we have a country of which we are proud. We have a country that has grown up through time and history with a proud heritage. The people of this country want to be able to viably produce the majority of our own food stocks, so that we can be somewhat independent of the rest of the world and assist other countries within the world.

What we see within my area is a breaking down of this ability. There is pressure on farmers to sell off their lands, whether it be for development, for housing, or for recreational areas, before they go broke. It is a moving away from the basic belief in the land. They cannot make a living. We are making it harder and harder for them by forcing them away from areas that they know well, whether it be soft fruit growing, farming, or the growing of cucumbers and tomatoes.

How do you take a 40 or 50 year old man or woman who has farmed one particular commodity all his or her life and tell them to strip the land and plant something else? You cannot do it, Madam Speaker. Since they were children, they have been growing that particular product and now they have to switch and look at the world market. It is very difficult for these people who have looked toward their retirement with very marginal profits throughout their lifetime and are looking forward to sitting back and relaxing a little bit in their retirement years. We have made it very difficult for them.

Farmers in the Okanagan, in the Fraser valley in British Columbia, Saanich in the lower island area of Vancouver Island, across the prairies, or Annapolis valley, it does not matter where, are running into the same problems time and time again. It is a problem of keeping up, making a living, and trying to overcome what nature throws at them. Now they have to struggle against a government that states that it is for farmers and is trying to help them. I would suggest that this is one more nail in the coffin of the farming community, one more put-down of the farmer. The potential of increasing the price of seeds for grain farmers, three times, ten times, or whatever in a marginal operation makes it very difficult for the farmer to make a living.

In conclusion, in the educational process of looking at this legislation, it is clear that although there are some who support this bill, it is not one that is of benefit to the individual farmer and therefore I speak against it today.

• (1650)

Mr. John R. Rodriguez (Nickel Belt): I listened attentively to my friend and I was impressed with his background, depth, knowledge and the insight he brings to this whole question of plant breeders' rights.

There is one area that rather puzzles me. I am a member of the Standing Committee on Consumer and Corporate Affairs, and one of the areas that really interests me is this whole question of monopoly practices. In fact, statistics show that there have been 1,008 corporate take-overs of seed companies since 1969. Many of the purchasers also sell fertilizers and chemicals. In the 1970s, there were 30 companies that produced crop chemicals and today there is only a dozen. The industry itself states that within a decade there will probably only be about six remaining.

The minute we get this plant breeders' rights legislation passed, there are certain implications in terms of monopoly control of the seed companies and the seed business. In light of the fact that even this namby-pamby corporate take-over legislation that we have got has been ruled unconstitutional and now it is going to be appealed to the Supreme Court, I want to ask my colleague if he sees any significant problems for the people who depend on these various varieties of seeds to continue to get seed at a price that they can afford? Can he see a problem with the trend toward monopoly take-overs?

Mr. Whittaker: It is obvious that the member for Nickel Belt, being from a good agricultural area, has some of the education of the member from the Okanagan. The in depth knowledge that I have unfortunately simply scratches the surface of some of the speakers that we have had before us.

However, he turns to an area that is near and dear to our hearts and to the hearts of Canadians, which is the whole aspect of where this government is going and where it has gone in the past. For example, is this privatization for the sake of privatization. There is a whole public area here.

We have research stations and seed research funded publicly. We have scientists who now work for the federal government in various research areas, who are world renowned and are happy working within the system for the Canadian government, establishing new strains. That is one of the things I think there is a move toward, the ultimate privatization of that total area. I simply throw that out as a caution that there is that possibility.

What we have seen, and what I think the member for Nickel Belt has alluded to, is the monopolies that have been created. I sat as a substitute on his committee on the odd occasion and saw some of the mergers that have occurred over the last little while in many areas.

I also sat on the finance committee last fall and heard some of the confection manufacturers and others talk about being forced into mergers by legislation before the House of Commons, whether it is goods and service tax legislation or whether it is legislation on the free trade agreement. These large companies are becoming mega-companies.

More and more the control of our economy is falling into fewer and fewer hands. This is what the people of my riding are frightened by this particular legislation. What has alarmed me are the predictions that I heard throughout some of these hearings that I have been on, and now hearing it again in relation to this particular legislation. The control of our food stocks is falling into the hands of only a very few major corporations, and that has created problems. We have seen in the past that as we fall into the area of monopolies and do not have a competitive edge, prices have a tendency to go up. We have seen the prices of feed stocks go up for the farmers. I have stated that they will triple, but I understand that there are studies that show it to be substantially higher than that.

I believe that when monopolies or control falls into very few hands, there will be major problems not only for farmers, but for the people of Canada in not only growing their food but obtaining their food at a reasonable price.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I appreciated and enjoyed the remarks of the hon. member for Okanagan—Similkameen—Merritt. I hope that his constituents are aware of the very active role he plays in this House in speaking on behalf of soft fruit and grape growers who have been hard hit by free trade.

Whenever there is a promotion of Canadian wines the member is on the front lines urging his colleagues to, in all moderation, enjoy the benefits of the production of his constituency. However, I would not want to over-extend his knowledge of the agricultural field. I would, however, like to pursue some of the legal abilities which he does so obviously have.

One of the principal rationales that the government has presented as to why we have to adopt this legislation is that countries like the United States, Japan and others are pushing us internationally, particularly at the GATT negotiations, to adopt this legislation because of an argument that is being made in some parts of the world that things like genetic materials and life forms should be treated no differently in terms of international trade than things like the better mouse trap and intellectual property of different types such as movies.

I was wondering if the hon. member, as a lawyer or legislator, believes that there is some distinction that needs to be made between the normal commerce that might go on in international trade and things that are so vital to our survival like genetic materials and the various life forms? Should a line be drawn? In fact, should we as the Canadian Parliament be drawing it by rejecting this whole trend?

Mr. Whittaker: It is clear that there is a major difference between some intellectual property rights, patents and copyrights that do not affect the very life blood of the people of Canada, or anywhere else in the world, for that matter. It is important to distinguish between the two. With this legislation we are working toward that very basis of life for people, our food stocks. When you start playing with food stocks, and you start playing with the patenting of our staff of life, then you are into a far different area in every way than you are with other intellectual property.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I join in debate of the Plant Breeders' Rights Act in opposition to its passage. I share the views of many in my province who are opposed to the introduction of plant breeders' rights in circumstances in which breeders of new crop varieties would enjoy exclusive rights in the commercial exportation of varieties of crops for a period of up to 18 years.

• (1700)

They oppose the notion that a holder of plant breeders' rights would be able to collect royalties on the sale of seed of the protected variety. They are also opposed to the concept of plant breeders' rights as they are so closely related to the patenting of industrial inventions, and legislation which covers plant breeders' rights in many other industrialized nations.

The notion that plants and seeds should be controlled and owned in the same way as industrial patents is not one which finds favour with many of those farmers in my riding. My riding comprises about 75 per cent of the dairy industry in Saskatchewan.

This legislation has been controversial and that is why its introduction has been delayed. It was a promise of the Conservative party in 1984, and it has taken until now before it has been introduced into this House. It is also well known that the Liberal party introduced legislation of a similar sort, but did not get very far with it either. We have seen that the Liberals, after committee hear-

ings on the bill, are now supporting this piece of government legislation.

The similarities between plant breeders' rights legislation and the drug patent legislation are quite clear to see. Once the Drug Patent Act was passed, the path was clear for the introduction of this legislation. Control of drugs which are necessary for the health of Canadians went into private hands. The government has now gone on to enable private interests to control the rights to make profits on plants, seeds and so on.

The drug patent legislation troubled many Canadians who use drugs and the consumer groups who represent them. It did so because of the fear of increased costs, and it did so because of the fear that if a drug manufacturer could control its interests in a particular drug that it invented, its long term control over that drug would preclude generic manufacturers in Canada from producing the same drug at a cheaper price. This would cut down on availability perhaps, but certainly on the opportunity for Canadians to pay less for those drugs.

Just as those who might potentially use drugs were concerned about the drug patent legislation and the potential price increase that that would give rise to, we have seen a reinforcement of the concerns raised by my party and other groups since the passage of the Drug Patent Act. For the same reason farmers, farm groups in Saskatchewan and those who are concerned about ownership of important natural resources in the world are concerned about the passage of plant breeders' rights legislation.

The issues are not only economic, although the government would prefer that we treat them in that way. They are also ethical, social and political, moral and ecological. The questions include: Who will do our research? Who will control the fruits of that research? Who will control our genetic resources, and are the resources of the world to be used by everyone or only by private corporations for their own benefit?

A question we sometimes do not ask enough is: What about those plant resources of the Third World which may be exploited by this practice? After all, most of the plant resources we use at the present time for our farming activities were originally found in the Third World. We took them without those Third World countries and farmers being paid for them. Now we are going to put the rights in the hands of private businesses to sell those seeds and plants back to those Third World countries from where we took them without payment in the first place.

There is concern from a broad range of individuals and groups, from genetic resources of our world, a coalition of church, farm labour, consumer groups, and non-government organizations. Membership includes the National Farmers' Union, OXFAM, the CLC, the Consumers' Association and the United Church of Canada. Many groups have been opposed to the passage of the plant breeders' rights legislation giving private interests control over something that was previously in the public domain.

In my province, as I mentioned, there are many who are opposed. Included is the Saskatchewan Wheat Pool which is opposed to the plant breeders' rights as they apply to major grains and oilseeds in western Canada. That organization, as you know, is the largest farm organization in the country. It represents farmers and attempts to ensure that they can obtain a living in spite of the federal government's agricultural policies. The Saskatchewan Wheat Pool is opposed to the passage of this legislation as it applies to major grains and oilseeds for the reasons which I have generally indicated. I will now give more reasons in specific detail.

There are concerns about seed costs. At the moment, as we all know, farmers are very concerned about the input costs. They are at the present time trying to obtain financial assistance from the federal government to help plant their crop for the coming year. They are faced with high interest rates and they are faced with a low price for their product when completed. They are also concerned about reducing their cost of input as much as possible.

Seed costs at the moment represent about 4 per cent, for example, of Canadian wheat farmers' production costs. Europeans spend five times as much as this. There are suggestions, or predictions, by those in the seed industry that the farmers' share of costs will, in fact, rise to over 50 per cent in the next few years in Europe. A former minister of agriculture in Manitoba has suggested that with the passage of plant breeders' rights in Canada, seed costs in Manitoba could triple over the next decade as a result of this legislation.

Rather than attempting to address input costs for farmers, we have legislation from the government protecting private interests, ensuring that private interests control more of what was previously in the public domain, and in the process adding to the costs in quite a considerable level to farmers' input costs.

Allusion has been made to the problem of control of seeds. It has been indicated that some 1,000 corporate takeovers of seed companies have taken place since 1969. This indicates a considerable centralization and concentration of control by those who are in the business of selling seeds to our farmers.

Many of the purchasers of these seed companies also sell fertilizers and chemicals. Indeed, many of the developments that these companies are pursuing with regard to seeds are not to make them pest resistant as one would have hoped, but indeed pesticide or chemical resistant. We have those producers of fertilizers and chemicals buying companies which sell seeds and then ensuring that the development of those seeds is somehow compatible with their chemicals, rather than attempting to build into the seeds qualities which can resist the pests that we are concerned about. It is not a very ecological development in terms of how we develop our seed genetics.

In the 1970s there were 30 companies that produced farm chemicals, just as an example of increased concentration, and now there are about a dozen and perhaps within a decade the industry itself suggests that there might only be six. We will see a further concentration of those private organizations providing inputs to farmers.

As no doubt the government would be only too prepared to admit, increased concentration and lack of competition is likely to increase the price to farmers, making it ever more difficult for farmers to make a living and stay on the farm in Canada, making it more difficult for them to provide the food products that we so badly need.

• (1710)

If we wanted any more information or any more evidence of the concentration of control and the negative implications that that could have, we only need look to European and American jurisdictions where there is plant breeders' rights legislation. In those areas 90 per cent of all seed patents are held by a handful of multinational corporations. It has been forecast that by the beginning of the next century, perhaps 10 to 20 major corporations in the world will dominate seed markets. It is only to the detriment of farmers and surely not to the benefit of farmers that lack of competition and the control over seed genetics cannot serve the Canadian farmers or the Canadian public.

In addition, seed and fertilizer companies are continuing to buy up and hold patents on seeds which make it hard for farmers in the Third World to get the seeds they want. It is harder to ensure that both in the Third World and in the prairies that farmers obtain the sorts of seeds that are suitable for the growing and soil conditions available to them. We are not seeing, in the concentration of ownership in seed corporations and we will not see it as a result of further concentration through the plant breeders' rights legislation, a development of seeds and products which will be suitable for Canadian farmers.

Many studies have been conducted, including a 1960 royal commission, which suggests it is not worth the economic benefits which might flow from plant breeders' rights legislation to have the legislation itself. Primarily, that is a result of criticisms of the industry because of the potential, as I have indicated, for massive concentration of the plant breeding industry by international corporations and primarily international chemical corporations.

We also have to be concerned about, as we are so often reminded, the diminution in our genetic base in the world. We often hear of the number of species which are lost to the world. It is important for us to maintain that genetic bank. In Canada we have a gene bank which protects many species which are important to us, in particular barley. There is considerable concern for the safety or the security of those genes. It is certainly the case that Canada's gene bank has been cited as one which does not provide the sort of security necessary to make sure that our genetic base in the world is maintained.

Even in a country such as ours, we are not able to protect the gene bank that we are responsible for. One other point which should be made strenuously and has been made before is that again we are bowing to pressure from Americans to do what their private corporations want. We are also bowing to pressure from the Japanese corporations and from other private interests around the world. It is one more push by the United States to have Canadians harmonize our standards and our approaches

with the standards of the United States. This is not to the benefit, of course, of Canadian farmers and Canadian consumers. It is time that we stood up to those pressures from American private corporations and governments acting on their behalf and take into account the interests of Canadian farmers and Canadian consumers. In coming to my final comments, I would like to point out the main drawbacks with this legislation and point out why the government should not be pursuing it in the way in which it is.

A great deal of research and activity in the plant breeding area is done in Canada by Agriculture Canada. There is a genuine fear that public sector plant breeding in Canada will decrease as governments reduce program funding in deference to increases in public sector investment and pushes more and more onto the private market.

There is also concern that the nature of public sector research will change with increased concentration on basic research and a decrease in actual variety development, in particular for crops such as wheat and canola. As a result of shifting the ownership of products onto private industry, as it is able to persuade Agriculture Canada to do, basic research rather than applied research will be done by private industry.

There is real concern that seed prices will rise considerably. There is concern that there will be restriction in the exchange of genetic stocks between breeders as competition increases. We have seen examples of that already where work is being done on particular plants and large corporations pressuring their friends in other large corporations to concentrate on some other development rather than the one of concern to the corporation in question.

We are concerned about the loss of the world's plant gene resources and that it will be accelerated as private industry promotes the cultivation of protected varieties in Third World countries. We are concerned as are many that a small number of multinational companies will dominate the Canadian seed industry as they have been doing through corporate take-overs, that they will integrate seed and farm chemical activities and develop and promote varieties whose performance is dependent upon the use of specific chemicals in which they specialize themselves and varieties whose performance is dependent upon various herbicides and fertilizers which are called into question and, as suggested by many, should be used less and less if we are really seriously concerned about the ecology of our planet.

Last, and perhaps more serious is the major criticism that Canada's food system will, as a result of plant breeders' rights legislation and following what we have seen in other countries, come more and more under the control of a small number of multinational corporations.

For example, in eastern Europe we have an example in which we see a society striving for more and more information and receiving more information, whereas in Canada we seem to have a government looking to concentrate ownership and information in such things as plants and seeds and in other areas as well.

This legislation, rather than opening up ownership and information, proposes to provide monopoly control which will limit access to information on genetic material. I think that is the wrong direction in which to go. We should be more concerned with making more available things such things as seeds and plants, which we have tended to do in the past, rather than making them more restrictive and in the ownership of a small number of corporations which then have to be purchased by farmers. We have seen increases in input costs. It will be to the detriment of farmers, Canadian consumers and indeed consumers of Canadian food products all over the world.

It seems to me it is the opposite direction in which we should be following. We should not be concentrating ownership and control of what had previously been public property. We should be making sure that access is more widely available. We might be able to manipulate genetic material, but we did not create it. Humans did not create it, and we should not receive compensation for something in which we have a minor role in assisting. There are interests for everyone all over the world in making sure that ownership of seeds and plants are more widely owned, and not more closely owned. Quite clearly, this legislation is a move in the wrong direction.

• (1720)

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, in a publication called GROW, *Genetic Resources for Our World*, Volume II 1989, I would like to bring to the member's attention a couple of

quotes, and ask him for comments and expansion with respect to the plant breeders' rights.

On the front page of that magazine, there is a quote: "If we believe in the right to a clean environment and that food is to share, then we cannot create a system which encourages ownership of life form, the most basic which is seed, by corporations whose primary motive is profit." I would like the member to comment on that.

There is a further quote on the last page of the article called "PBR, The Thin Edge of the Wedge, The Rationalization of Life Patenting". It indicates some excerpts from a book *From Land to Mouth: Understanding the Food System* by Brewster Kneen, Economist and Theologian. In one of these it states as follows: "It is then but a short step to the patenting, claiming the property rights of the modified human embryo, one that has been subject to gene therapy on the basis of need established as a result of amniocentesis on the embryo utero.

In other words, once the principle of intellectual property rights is accepted, there is no natural or inherent limit to the claims that can be made. Human characteristics could be patented and licensed for production just the way a McDonald's hamburger or a new lettuce plant could be".

Would the member like to comment on those two with respect to his impressions of where we are being led by the plant breeders' rights legislation?

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I am happy to respond to those two questions.

Let me take the last one first, the dangers of patents on life forms. Experts agree that it is very difficult to accurately define genetic substances in a way that effectively ensures that we do not move along a slippery slope towards patenting life forms, something which we would all be quite concerned about. I would agree with the member and the quote that he referred to. The plant breeders' rights legislation is something that we should be really quite concerned about, if we are concerned about the dangers of patenting life forms. I think we all are.

In terms of ownership of life forms being handed over to private corporations, we might refer to an example which has been in the public eye a great deal lately, and represents a tragedy for Atlantic Canada. We can look at the developments which essentially placed the control of the fish stocks on the east coast in the hands of two large private corporations and observe what has happened to them. Those fish stocks were previously regarded as essentially public property which fishing people went to catch, and then to process.

By handing over the quotas to large corporations, those stocks became owned by those corporations. We have seen that stock, with the help of mismanagement by the federal governments over the last decade, fold to such an extent that we are now hearing from those in the fishing industry, including those whose lives depend almost totally on the fishing industry, that we should stop fishing. If we do not, we will end up by having no fish left there at all. Indeed, there are many examples of areas where there was previously a good deal of fish, and where now there are none.

We can look within our own country at what has happened when we have given private ownership over a life form to large corporations, and watched the way in which they have abused it. There is no doubt that we need to be very careful when we give large corporate interests—as we are going to do—control over plants and seeds. As experience in other countries which have with the plant breeders' rights legislation has shown, if we give ownership to large corporations they will use it only to ensure that they make profit and will not make sure that it is used to the best advantage of all Canadians and to all those who might otherwise have access to that resource.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Champagne): Call in the members.

[*Translation*]

And the division bells having rung:

The Acting Speaker (Mrs. Champagne): The government whip has asked the Chair to have the division deferred until Monday at 7 p.m.

[*English*]

Ms. Langan: Madam Speaker, May I call it six o'clock?

The Acting Speaker (Mrs. Champagne): The hon. member suggested that the Chair seek unanimous consent to call it six o'clock.

Is there unanimous consent?

Some hon. members: No.

The Acting Speaker (Mrs. Champagne): I do not have unanimous consent.

Hon. Frank Oberle (for the Minister of State and Leader of the Government in the House of Commons) moved:

That the Standing Orders of the House of Commons be amended in the following manner:

1. By adding the following new section to Standing Order 30:

"(7)(a) Notwithstanding Standing Order 24(3), if Private Members' Business is to be taken up on a day, other than a Monday, appointed for the consideration of the business of supply, the time provided therefor shall be delayed by one hour; provided that it shall be further delayed by the time required for the completion of any division arising out of the business of supply or any deferred division set down for that day. Upon the completion of Private Members' Business, the Speaker shall adjourn the House until the next sitting day.

(b) Any recorded division demanded during the time provided for Private Members' Business pursuant to subsection (a) of this section shall be deferred in the manner set down in Standing Order 45(6) for proceedings on a Friday."

2. By deleting sections (1) and (2) of Standing Order 87 and substituting the following therefor:

"87. (1)(a) At the beginning of a session, the Clerk of the House, acting on behalf of the Speaker, shall, within two sitting days of the placing on the Order Paper of separate items of Private Members' Business from at least twenty Members, notify the Members involved of the time, date and place of a random draw of twenty Members' names to establish the order of precedence for twenty separate items.

(b) To the extent that there is a sufficient number of eligible motions and bills, the draw shall be conducted so that there shall be in the order of precedence an equal number of motions and public bills originating in the House of Commons.

(c) The names of Members with bills and those of Members with motions shall be drawn separately to produce the appropriate number of bills and motions. The names first drawn separately shall then be drawn again together to determine the order of precedence for those items.

(d) Not later than 6.00 o'clock p.m. (7.00 o'clock p.m. on a Monday and 3.00 o'clock p.m. on a Friday) on the second sitting day after the day on which the draw is conducted, each Member whose name has been drawn, and who has given notice of more than one motion, shall file with the Clerk an indication as to which motion is to be placed in the order of precedence. If a Member does not file such an indication within the time specified, the motion first placed by the Member on the Order Paper under Private Members' Business will be included in the order of precedence. This requirement applies equally to each Member whose name has been drawn for a public bill.

(2) The Clerk of the House, acting on behalf of the Speaker, shall, when necessary during a Session, conduct a random draw to establish an order of precedence for not more than ten additional items of Private Members' Business, in the manner set down in section (1). No Member having an item listed in the order of precedence at the time of the draw shall be eligible to have his or her name chosen. Not later than two sitting days prior to the conduct of the draw, the Clerk shall inform the Members involved of the time, date and place of the said draw."

3. By deleting section (1) of Standing Order 92 and substituting the following therefor:

"92.(1) The Standing Committee on Privileges and Elections shall meet as soon as practicable after the order of precedence has been established pursuant to sections (1) and (2) of Standing Order 87, and from time to time thereafter, and may select after consultation with, among others, the Members proposing the items, not more than three motions and three bills from among the twenty items in the order of precedence and an appropriate number from among any subsequent items for which the order of precedence is established and such selected items shall be designated as "votable items". In making its selection, the Committee shall not take into account the number of Members jointly seconding an item, but shall allow the merits of the items alone to determine the selection and shall report thereon, from time to time. At no time shall there be

more than three motions and three bills among the selected items on the order of precedence."

4. By deleting Standing Order 93 and substituting the following therefor:

"93. Unless previously disposed of, selected public bills at the second reading stage or selected motions shall receive not more than three hours of consideration and, unless previously disposed of, an item having been once considered, shall be dropped to the bottom of the order of precedence and again considered only when it reaches the top of the said order.

Provided that, unless otherwise disposed of, at not later than fifteen minutes before the end of the time provided for the consideration of the said item, any proceedings then before the House shall be interrupted and every question necessary to dispose of the selected motion or of the selected bill at the second reading stage, shall be put forthwith and successively without further debate or amendment."

5. By deleting Standing Order 99 and substituting the following therefor:

"99. The proceedings on Private Members' Business shall not be suspended except as provided for in Standing Orders 30(4), 50(4), 52(14), 91 and 94(1)(b) or as otherwise specified by Special Order of this House. No Private Members' Business shall be taken up on days appointed for the consideration of business pursuant to Standing Orders 53 and 84(2) nor on days, other than Mondays, appointed for the consideration of business pursuant to Standing Order 81(16)."

That, notwithstanding Standing Order 93 as amended, any selected item which is now on the order of precedence and has received more that two hours and forty-five minutes of consideration receive not more that an additional forty-five minutes of consideration following which every question necessary to dispose of the said selected item shall be put forthwith and successively without further debate or amendment;

That the Clerk of the House, on behalf of the Speaker, conduct as soon as practicable a random draw of a sufficient number of names, notwithstanding Standing Order 87(2) as amended, to establish the order of precedence for ten motions and ten public bills originating in the House of Commons;

And that motion No. 3, dated March 6, 1990, appearing in the Order Paper under "Government Business" be deemed withdrawn.

And on the motion of Mr. Milliken, seconded by Mrs. Finestone,—That this question be now put.

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, I do not wish to take much time in this debate but I do wish to signal to the House of Commons that this Motion No. 6 is the result of the work of the Committee on Privileges, Elections and Procedure that have studied the issue of Private Members' Business. This is largely the recommendation that they had put forward.

I want to say that the significant part of this particular amendment is one that allows an opportunity to treat all back-benchers of this House equally. The basic thrust of this particular amendment, among other things, is that now in Private Members' Business, the member's name would be drawn rather than the item. Therefore, each member would have one opportunity to have his or her name drawn and it would then mean that all members of the House who are private members would be treated equally.

I also want to signal that we on this side of the House, the government, are very much in favour of this particular amendment and are quite happy to lend our support to it.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, we, in the Official Opposition, concur. I was a member of the Standing Committee on Elections, Privileges, Procedure and Private Members' Business as it then was, which drafted the resolution upon which this one is founded. It is to be found in the report of the committee that was tabled in this House in December but no action was taken on that report. As a result of that inaction, the government has seen fit to bring forward this motion to amend the Standing Orders, to permit, as the parliamentary secretary has indicated, permit private members of this House to bring forward their bills in an orderly way and have them debated with a fair chance of being drawn.

It takes away an advantage given to members who have filed dozens of bills or resolutions so that members who choose to proceed on only one or two items will have an equal chance in the draw with all others. I think that that is a fair method of proceeding. I think anybody looking at this objectively would agree that it is fair. Therefore, we are happy to support this. Indeed, I have assisted the government in ensuring that the wording of this resolution is correct. The first one is to be withdrawn as part of this resolution No. 6 because it was not quite correct.

I would like to say that the resolution constitutes a package and it is a package that I believe is reasonable. Accordingly, I move:

That the question be now put.

The Acting Speaker (Mrs. Champagne): The House has heard the motion as put by the hon. member for Kingston and The Islands.

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

Some hon. members: No.

• (1740)

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): The Chair would appreciate it if the hon. member for Kingston and the Islands would put his motion in writing. I will wait to see the motion as written. If I understand correctly this is a debatable motion.

Is there debate? The hon. member for Saskatoon—Clark's Crossing.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, as the House well knows, all along the New Democratic Party has not been in favour of the changes being suggested. Therefore, I will speak against the motion to have the vote put.

The changes that are being suggested are clearly to the greater advantage of the larger parties. As a result, this generates some disadvantage to the smaller parties. Indeed, in terms of whether or not those back-benchers who put forward motions for discussion should be rewarded for their work and their contribution, it clearly undermines the effort that they have shown in this past session. I do not think there have been any major problems with regard to private members' business, anything that would give rise to the need to change the present rules.

It is certainly true that the members of my party have put forward many motions for discussion, motions that have been referred to them by their constituents and by interest groups in their critic areas. They have been called upon by those individuals and groups to put forward these motions so that their interests can be presented to Parliament and be the subject of debate by all members of the House. Those individuals and groups should know the points of view of each of the political parties and many of the members who wish to participate in the debate.

The restriction of the opportunity of members of my party to present questions and matters for discussion to the House is a mechanism whereby those constituents and those groups are precluded from having their points of view discussed.

If you look at the list of questions and motions put forward over the last while, you will see that primarily the work done to bring these issues to the House is done by members of the New Democratic Party.

There are members of the Liberal party who also put forward a good number of motions, but proportionately there are not as many motions put forward by members of the Conservative party. If they wish to put forward motions, there is absolutely no reason why they could not do so, on a continual basis, to ensure that they have as much chance to have issues discussed in the House as members of any other party.

I suggest to the members opposite that, if they have some concern with not having enough opportunity to discuss motions, then they should put forward those concerns. They will have the opportunity to be drawn and to have those issues discussed. If they are dealing with the interests of their constituents and groups that appeal to them on a regular basis, they are doing their job adequately and they should be putting forward those motions for discussion.

I do not think we have a problem. If there is envisaged to be a problem by the members opposite, or indeed by the members of the Liberal party, then I suggest that they respond to the demands and pressures of groups and individuals who might come to them with suggestions, make their cases and have the issues discussed.

There is a point which we should not let go by. It is quite clear that we have a situation here in the House over the last little while. We saw it with regard to some of the procedural discussion on the goods and services tax, when the Liberals found it convenient to support the government in opposition to some of the efforts made by the New Democratic party to represent the 80 per cent of Canadians who are opposed to the tax.

We have seen a number of manoeuvres as the members from the government, the Liberal party and the NDP know, to ensure that any procedural roadblocks placed in the way of passage of the goods and services tax by the New Democratic Party on behalf of 80 per cent of Canadians, would not be successful. We have seen collusion on the part of the two establishment, old line parties in Canada working together to ensure that the New Democratic Party, acting as I say on behalf of 80 per cent of Canadians, would not have their views heard.

This is another example of that collusion. The whole House knows that the New Democratic Party has, for some of the reasons I mentioned, not been in favour of changes to Standing Orders to deal with Private Mem-

bers' Business. The parties know that it would have been more fruitful—

The Acting Speaker (Mrs. Champagne): Order. I have a point of order, the hon. member for Burin—St. George's.

Mr. Simmons: Madam Speaker, I have been listening with great interest as always, to my good friend from Saskatoon—Clark's Crossing.

I am sure he would not want to mislead the House or to be using the kind of provocative—I suggest unparliamentary—language he is using. First, he is talking about collusion. I can give him a dictionary definition, but I am sure what he wanted to come out is, apart from being cowardly, not parliamentary.

The other point, while I have the floor, is that he talks about what the Liberal opposition is doing. That is not a matter of a difference of opinion or debate at all. He is misrepresenting a very important position, the position of my caucus that has fought vociferously to oppose the goods and services tax while they played catch up.

Mr. Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, I am glad that I raised some excitement on the part of the Official Opposition. It would have been helpful if we had had that sometime during those procedural wranglings over the goods and services tax. Perhaps we could have carried on in a more effective way.

What we could have had through the process dealing with changes to the Standing Orders with regard to Private Members' Business is, rather than for the matter to be presented at this late stage on a Thursday, after discussion of a bill which—

The Acting Speaker (Mrs. Champagne): Point of order, the hon. member for Burin—St. George's.

• (1750)

Mr. Simmons: Madam Speaker, perhaps I was not specific enough and for that I apologize to you. I submit to you that the word collusion, when applied to the actions of members of this House, is clearly unparliamentary because in the process the member for Saskatoon—Clark's Crossing assigns motives, and the rules are very specific on that point. You cannot assign motives to members of this House other than which they themselves assign. The use of the term collusion, apart from being cowardly and beneath the member, I submit, is clearly unparliamentary. I believe, Madam Speaker, that you owe me at least the courtesy of a ruling on that very point. I submit it is unparliamentary, in that it does assign motives to members of this Chamber.

The Acting Speaker (Mrs. Champagne): It is certain that hon. members should not impugn motives to other members. I would be at a loss at this time to tell you whether or not the word collusion is, or is not, officially unparliamentary but certainly impugning motives would be. I would appreciate if the hon. member for Saskatoon—Clark's Crossing would act accordingly.

Mr. Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, of course I would apologize if I did impugn any motives to the Liberal party. I might point out that you can collude for a good reason as well as a bad reason. At any rate, perhaps I can say that the two parties are working together. Maybe that would satisfy the member.

We have another example of that this evening. It is not co-operation because had the two House leaders pursued the matter in the normal course of things, through the normal mechanisms for negotiation and discussion—

Mr. Cooper: Madam Speaker, I wonder if the hon. member who is speaking at this moment is aware of the negotiations that have gone on between the three House leaders in an attempt to try and bring this matter to a resolution that is satisfactory to all three parties. I think what we are dealing with is a problem where you have the clear majority of the House very much in favour of a motion, and the NDP being a minority, do not want it.

The Acting Speaker (Mrs. Champagne): The hon. member has spoken in debate before and may have wanted to point out that very question earlier. At this point it is not a point of order.

Mr. Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, when I was referring to the normal method for dealing with these matters through the normal co-operative procedures, the deputy House leader for the government knows very well that most matters that are referred to the House leaders of the three parties are resolved quite amicably after a process of discussion and negotiation. Not very often are matters left in a situation in which there is no resolution possible and indeed I would assure the government deputy House leader that this is

also not a matter which is entirely at a deadlock. Negotiations can continue and I am sure they will continue. There is no reason to suggest that we proceed in the way which is being proposed. As I say, not only the Government House Leader and the deputy House leader but also the deputy House leader for the Official Opposition and the House leader for the Official Opposition knows that those procedures could continue and that discussions could have continued. We could have made sure that an amicable and useful solution was resolved for everyone. Instead of that, they proceeded in the way in which they have, knowing that members who have been involved in the discussions in an intimate way over the last many weeks are not in the House and would have, as I am sure they would understand, valuable contributions to make to debate of this sort.

Rather than wait until the members were present, we have the situation in which the deputy House leader for the Official Opposition is moving a motion, which is something the government also wants passed, rather than waiting until, as I say, the members involved in the discussions are here to present their arguments.

I want to stress that this is not a situation, not an issue in which discussions have broken down, not a matter in which there is no headway to be made. It is clearly an issue, as has been indicated by my party's House leader, the hon. member for Kamloops, with aspects in it which are worth considering and worth pursuing.

He has also indicated, as the House leaders and deputy House leaders for the government and the Official Opposition know, that there are concerns that we have with regard to it and in particular those concerns which revolve around the work that individual members can do in bringing matters to the attention of the House. These are matters which they feel and others feel should be brought to the attention of the House.

As a result of recognizing and indicating that there are positive matters with regards to the changes suggested, but also negative matters, it would surely have been the most useful way to continue to discuss the issues among the House leaders and to continue to do that until there clearly was a deadlock in the situation. We are not at a period of deadlock, we are at a period in which negotiation and discussion would be useful.

It is not likely to bode well if motions of this sort are moved under these circumstances while discussions among the House Leaders could be continuing. It seems to me that the hon. member for Kamloops, the House leader of the New Democratic Party, does a sterling job of ensuring not only that our party's interests are well respresented but also does everything that he possibly can to ensure that legitimate concerns about the government side and the Official Opposition are paid attention to and are given due merit.

I think the government House leader, the deputy House leader, the Official Opposition House leader and the deputy House leader recognize the contributions that the member for Kamloops has made in many debates and in many discussions surrounding matters of procedure. This is with regards to changing not only Standing Orders but ensuring that the business of the House is facilitated in a constructive and useful way.

Madam Speaker, I think that this is not an appropriate way to continue. It is not useful in the long term to present motions of this sort at this time towards the end of the day when those who have been involved in discussions are not present. It is not useful for the Official Opposition and for—Madam Speaker, all the screaming and shouting made me lose the thread of my tenuous argument—but those who were involved not being—

The Acting Speaker (Mrs. Champagne): Agreed.

Mr. Axworthy (Saskatoon—Clark's Crossing): That is right, Madam Speaker, I am reminded I was talking about those who were involved in the discussions not being here while this motion is—

The Acting Speaker (Mrs. Champagne): The hon. member for Sault Ste. Marie on a point of privilege.

Mr. Butland: Madam Speaker, the member for Kingston and The Islands has used my name, I think, in a derogatory fashion. He was insinuating that I was involved in these negotiations all along and I must admit that I was for a time. Being a country bumpkin from northern Ontario these Tories and these Liberals took advantage of my naivety. Some people might construe it

as bullying, but I would not make any of those allegations toward them as they have done toward me.

With that point of privilege—

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

AIR CANADA

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, it is nearly 11 months ago now that I raised during Question Period the issue of the sale of Air Canada shares to foreign investors.

I want to make a point to House leaders on both sides of the House that it has been an unconscionably long time since I asked my questions. However, I am delighted to have the opportunity to rise in the late show, although this event arises out of my question 11 months ago. I was put on a list, together with many other people, and of course my number came up today, something for which I am very grateful.

I say to the deputy government House Leader that I spent a little time in the Newfoundland House, and there we used to do it a little differently. There, anybody who was dissatisfied with a question had to give notice that day by four o'clock, and then was on the late show that day, if he or she was one of three. If there were more than three, the Speaker made a choice and the matter ended that particular day.

The advantage of that, of course, is that the subject being discussed has some relevance and currency, much more than it does right now, 11 months later. I say that because much of the issue that I raised that particular day, on June 12 last year, has since become ancient history.

The Air Canada deal is over and done with. The government has had its way. Anything I can say on that particular subject, the sale of shares to foreigners, is of course locking the barn door long after the horse has gone.

Although this is not my purpose in rising, I would suggest in passing that the House leaders on both sides might want to look at finding a way to make the late show a little more current than they have had the tendency of being because of the circumstance that I have just described.

However, since I have the floor, and on a subject that is broadly related to the issue at hand, you will recall, Madam Speaker, that my particular interest in the matter of Air Canada flowed particularly from the awful and wrong decision by Air Canada to pull its jet service out of Stephenville as of last June.

Once that deed was done—and done in a not very commendable manner—I said to the president and to some of the senior officers of Air Canada on at least three occasions in their boardroom in Montreal, and in letters, that the way they did it is not a model way to conduct relations with people who have stood by them for 40 years, as is the case with the town of Stephenville in the Bay of St. George area of Newfoundland.

To add insult to injury, when the opportunity came for the airport of Stephenville to get a new jet service through a proposal by First Air of Ottawa, Air Canada also blocked that particular initiative, and focused on a particular issue in so doing. It focused on the question of whether or not so-called airline deregulation has not, in effect, created a duopoly situation in air transportation of this country where the two airlines, Canadian and of course Air Canada, can not only decide where they are not going to fly, but can also effectively decide that nobody else is going to fly there.

Through the mechanism of joint fare arrangements which all airlines have with each other, a company, in this case Air Canada, by refusing a joint fare arrangement with a particular carrier can effectively prevent that carrier from going into an airport. That is precisely what it did in the case of First Air and Stephenville.

• (1805)

Stephenville is a town that is far from beaten. Let me tell you, Madam Speaker, two things have flowed from that particular obnoxious act by Air Canada.

First, an initiative has been launched through the Competition Bureau which in time will bear fruit. The Competition Bureau right now is looking at the issue of whether Air Canada is in violation of the Competition Act by virtue of its action with respect to Stephenville, the action I have just described in effectively preventing another airline from going in and providing jet service.

That is in the process, and I will let the House know more about it later.

The second thing that is happening is much happier. Thanks to the efforts of the town of Stephenville, the Chamber of Commerce, the whole leadership in the Bay of St. George area and southwestern Newfoundland generally—thanks to a massive effort—I am delighted to inform you, Madam Speaker, that as of last Sunday another airline, Air Atlantic, a connector airline of Canadian using the BAE-146, 70-passenger jet has begun jet service between Stephenville and Ottawa. On Monday of this week, 50 of my constituents from Stephenville who came on the inaugural flight were here in the gallery to witness the proceedings in this House and to say thank you to people, including people in government.

In particular I want to mention my good friend the now Minister of State for Indian Affairs and Northern Development, who was then the Minister of State for Transport at the time when she took an initiative. I will submit that the initiative she was able to take was partly because of her knowledge, coming from an airport area, Hamilton South. We thanked her at a function the other night. I just want to say in passing that through her efforts and the efforts of many others, Stephenville is back on the map again in terms of jet service. These people came to thank her.

In conclusion, my purpose in giving notice 11 months ago has long since slipped away, like so many other things 11 months later. I make two points.

First, we ought to look at a rule change which would make this whole debate much more current.

Second, I rise because I want to send a signal to Air Canada that the fight is far from over. The fight will not be over until we get the assistance of this government to ensure that deregulation, whatever its good purpose is, should not be manipulated to serve the negative purpose of preventing small communities such as Stephenville from having a jet service through the duopoly that I have described.

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, as you may have noticed and as the hon. member for Burin—St. George's (Mr. Simmons) pointed out, and rightly so, his question goes back to June 1989. Since then the government has given its response, and the Air Canada share issue was carried out in accordance with the legislation on public ownership of Air Canada shares. The hon. member went on to talk about an airport. As a matter of fact, I wouldn't mind talking about one in my own riding—Mirabel—but I simply wish to repeat, in line with the question put by the hon. member in June 1989, that the government's purpose, when Air Canada launched its public share issue in October 1988, was to give all Canadians a chance to own part of this major air carrier. The government was successful, since the issue attracted over 130,000 new buyers from all provinces and territories in this country.

I believe the hon. member also realizes, and I am sure he agrees, that since Air Canada was sold to Canadians, the airline has been upgraded and service has vastly improved, as has the quality of their flights, and so forth. Anyone who travels will realize that, and now that we have Canadian Airlines as well, it is even more apparent.

I just want to repeat, for the benefit of our listeners, that 8 million of the 41.1 million shares sold by the government were offered on international markets. However, the hon. member knows perfectly well there was a 25 per cent restriction on those shares, which we enforced.

• (1810)

Madam Speaker, I think the answer is obvious, and in turn I too would ask him do his share to ensure that questions are more current and that it doesn't take a year for questions to be answered in the House.

FORESTRY DEVELOPMENT

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, during Question Period on March 14, I asked the Minister of State (Forestry) about forestry development agreements that had expired.

My questions were as follows, and I quote at page 9278 of *Hansard*:

> Does the minister intend to renew these agreements? Where will he find the money, and how much does he intend to spend on these agreements?

Another question:

> Where is the $1.1 billion promised by the Prime Minister and when will the new forestry agreements be renewed?

Madam Speaker, I was not satisfied with the answers given by the minister acting for the Minister of State (Forestry) on that particualar day.

[*English*]

As I mentioned, not being very satisfied with the answers I received, I decided to try to get more answers this evening.

Since coming to power in 1984, the government has claimed that it would create a forestry department, which it did. I must congratulate the government for that initiative. I think it was a step in the right direction.

The only problem with the forestry department, as I see it now, is that the government actually reduced the power of the forestry department across Canada. It reduced it by reducing the budget and by reducing personnel.

This is the week before National Forestry Week. When we talk about current topics this is a very current topic.

Last year, the year that the department received its full status, it suffered an 11.9 per cent budget cut and a personnel reduction of 3.5 per cent, roughly a reduction of $28 million.

If we look at this year's budget, we find another reduction of 31 per cent over last year's reduction, basically a reduction of $47.6 million.

Further, if we look in other departmental budgets we find further cuts. These are budgets, supposedly, from which funding for forestry agreements is supposed to come, the funding for co-operative agreements.

The new Department of Forestry Act does not provide the forestry minister with any clout. If we look at the act that was passed last year instituting this new department, we find that the forestry minister must go to other departments to get funding for those forestry agreements. Certainly he does not have much clout when it comes to forestry agreements.

When we discuss the forestry agreements, we can say that we have consensus here in the House. All my hon. colleagues in all three parties have reached a consensus on this one issue. The forestry Resource Development Agreements have been very beneficial right across Canada. There is no doubt about it. There are some negative things about them. Some things just do not work right. But, in general, the forestry agreements have been a success across Canada, and there is a need for more.

Last year, six of those agreements expired. Those in Nova Scotia, New Brunswick, Ontario, Manitoba, Saskatchewan and Alberta were terminated last year, supposedly at the end of the year. We asked the minister at that time to renew them as soon as possible. A couple were renewed. The ones with Nova Scotia and my home province of New Brunswick were renewed. In fact I am very proud to say that New Brunswick received a little more money than we expected. I am sure it will go to good use.

This year on March 31 we see three more major agreements have expired, especially the ones with the province of Quebec and the province of British Columbia. We know that the province of British Columbia has now committed funding to renew those agreements. So this is certainly a concern.

When we look a year later down the road, we see that seven of those agreements have not been renewed, which is cause for concern.

That brings me back to the questions that I asked on March 14, not too long ago, the questions I have asked in committee and the questions we asked last year when those earlier agreements had expired. We have asked the minister when he intends to renew the forestry agreements. We have asked him where he would find the money for their renewal and how much he intended to spend on them.

As well as asking those questions the other day, we also asked where was the $1.1 billion that the Prime Minister seems to have committed at a meeting not too long ago in Montreal with the Canadian Pulp and Paper Association, as was reported in the media.

• (1815)

The response given by the minister was vague and did not provide a clear indication of the government's intentions with respect to the renewal of these agreements.

However, in all honesty, Madam Speaker, I must make sure that the people who are listening, as well as my hon. colleagues, that the Minister of Forestry was not in the House that day. With all justice to him, he was on government business. The answer I was hoping to get

may not have been forthcoming because he was not available to give us all the details.

This is why I more or less was hoping that we would have more details this evening, which is why I have asked for this opportunity this evening.

Our country suffers from a backlog of unsatisfactory but restocked forest land, as was indicated in the estimates provided to the forestry subcommittee by the minister's own officials. That backlog consists of around 200,000 hectares every year. Those are the estimates this year.

It is imperative, it is very important—it is urgent—that the government get on with the job of renewing these agreements. It is these very agreements which have helped promote the forest sector right across the country. It is not enough, but without these forestry agreements in place it is certainly a negative step, especially this week being the week just before forestry week.

Given the forestry department's budget reductions and given the reductions in funding for all Economic Regional Development Agreements, what we want to know as members on the opposition side is this. Does the government intend to renew the forestry agreements which have expired? When will it do so? How much money does it intend to spend and from which budgets?

For instance not too long ago in the forestry subcommittee the minister mentioned to us that the B.C. funding would be available before seeding commenced. Well, seeding has commenced.

I also recognize the fact that if an agreement is signed it would probably be retroactive anyway. That is something that has happened in the past, and I recognize that.

I would ask that the government give us an indication tonight about those Forest Resource Development Agreements.

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, unlike the previous question, this one is very apt since this happens to be national tree and forest week. So it is entirely apt and appropriate.

Madam Speaker, as you know, federal and provincial governments have spent over $1 billion on forestry resources in recent years. Canadians will also find it reassuring to know that the number of trees planted represents a value of over $1 billion and that this is an investment for their future.

We should remember that over 1.5 million hectares have been sprayed, twice the area of Prince Edward Island, and that $80 million has been invested in forestry research and technology. We have also worked with 40,000 owners of private wood lots in Canada's rural areas.

Madam Speaker, it was a Conservative Prime Minister, the hon. John Diefenbaker, who gave particular recognition to the role played by our forests, and it was Mr. Diefenbaker who created the first Department of Forestry in 1960. The hon. member knows perfectly well that during the years before we came to power, the department was neglected, and we are trying to restore the department according to the vision held by John Diefenbaker at the time.

Now that forestry is the responsibility of a new, full-gledged department, the government is busy negotiating a new series of agreements that will guarantee continued federal leadership by channelling funds toward sustainable development, integrated management, applied research and technology development.

Madam Speaker, the hon. member would like to know how much money will be spent on this department. I can inform the hon. member that the government will spend more money on forestry in the next five years than it has allocated during the past five. That should give him some idea of the amount involved. He is of course aware, as are all members of this House, of the serious financial constraints under which this government must operate.

• (1820)

Madam Speaker, as you know, we as members from Quebec have a particular interest in the renewal of the Canada-Quebec agreement on forestry development. We have worked on this issue since we were re-elected and we shall continue to do so. Of course, the provinces also have financial problems, as we saw in the latest budget brought down by Mr. Lévesque in Quebec City. So we are working on it. We are doing our best, and one of the government's top priorities is to ensure that our forests, which are a national resource, will continue as such.

Madam Speaker, I want to thank the hon. member for giving me a chance to tell him that he will get some very satisfying answers within the next five years.

[*English*]

REAL WOMEN

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, I rise in the House this evening because I was dissatisfied with the response I received from the minister responsible for the status of women on the issue of funding for REAL Women.

I asked her about the government's impending funding decision for that organization in light of a recent very offensive newsletter that had been issued by that group.

The Conservative government seems to have found ways to undermine the women's movement, and to undermine equality for women. One way it has done that was through having funded REAL Woman last year. Another way is that it has cut the funding for equality-seeking groups in our society. In fact, the decision to fund REAL Women last year came just before last year's budget decision to cut 15 per cent off the women's program.

I had to apply last year under the Access to Information Act about the government's decision to fund REAL Women. I could not get any information from the Secretary of State's office about that funding proposal.

This year another 15 per cent is gone from the women's program. This time the grassroots was attacked. Seventy-five women's centres across this country lost 100 per cent of their core funding.

This year REAL Women's funding application is still sitting somewhere in the Secretary of State's office. Does this mean that the diminishing amount of money that is there in women's programming will be going again to an anti-equality group?

In my question to the minister I spoke of the appalling REAL Women's newsletter. Some people have said it was hate literature. It spoke of the Montreal massacre and killer Marc Lépine. I will quote what was said in this newsletter:

> Who knows why he did it? The thought immediately occurred to me that he just might have been a man whose child had been aborted by a feminist and that had been enough to trigger a terrible response to the abuse of his childhood.

The Social Credit government in British Columbia, headed by Premier Vander Zalm, mailed out this newsletter, at taxpayers' expense. Even a few members of that government have tried, after the fact, to distance themselves from this organization.

Last weekend REAL Women had its national conference in British Columbia. They were given the opportunity to renounce the contents of that newsletter. But a resounding "no" came back from the audience there. At one point it was said at their conference that the sexual abuse kit that is used in our schools was nothing but licensed porno for five-year olds. When we know what a terrible problem child sexual abuse is in this country, that is the attitude that this organization takes.

Equality-seeking women's groups have been scrutinized and threatened if they are pro-choice or if they mention the word "lesbian". Yet REAL Women's newsletter talks about being "homo nauseated". It talks about Vancouver as "sodom north", and says that homosexual AIDS patients simply reap what they sow.

One of this group's main reasons for being—and it is part of its acronym—is that it is anti-choice on the matter of reproductive rights for women.

Groups that are primarily active around the pro-choice side of this issue are not funded by the government. REAL Women even went so far as to blame the Montreal massacre on some hypothetical feminist—again blaming the victim.

These attitudes should not be any real surprise to this government. REAL Women has spouted this kind of stuff before. They have spouted it for a long time.

• (1825)

They are opposed to women's inclusion in the Charter of Rights and Freedoms. A much earlier document from this organization claimed a victory at the defeat of several female members of Parliament in the last election—female members of Parliament from different parties.

This group never did meet the equality criteria set out in the women's program funding. But the Secretary of State somehow justified his decision last year on that basis.

I was a guest on an open-line talk show in Vancouver on Monday and the topic was REAL Women and violence against women. At the end of the program the host said something about "the two extremes on this

issue—REAL on one side and the feminist movement on the other side". But I said to him, and I say in this House, women working for women's equality are not extremists. The women's movement is simply asking for—demanding—economic and social justice for women. It is demanding true equality in our society for women.

When women, only a few decades ago, were fighting for the vote they were called all kinds of unsavoury names too. There was a movement of women against the suffragettes. There were women who did not want the vote and wanted to deprive other women of it too. There will always be a backlash against positive social change. The government is under no obligation to fund both the progressive and the regressive elements in our society.

In light of its own commitments to the international treaties it has signed, the government has an obligation to promote equality. That is what the women's program should do. That is why full funding for women's programs should be reinstated. Groups like REAL Women should never, never again be funded by any level of government.

I am very concerned about the disproportionate amount of influence that this organization appears to have, both within the federal level of government here and the provincial government of B.C. We know that they speak for very few people. People in Canada do not support those attitudes.

I ask again: Will the government guarantee that this anti-equality, anti-feminist, hate-mongering organization will never again receive government funding?

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, first I want to congratulate the hon. member for Westminster—Burnaby who examined this question and produced, I would say, a pretty fair analysis.

I may recall, and I think she will understand from my reply that we are also very concerned, the operating criteria of the Women's Program of the Department of the Secretary of State.

To be eligible, women's volunteer organizations must have as their principal goal to promote the equality of women in Canadian society.

These organizations must respond to a need in the community, approach issues that are eligible for financial assistance under the Women's Program, demonstrate their ability to plan projects and bring them to fruition, have a good financial management system, involve their members in developing policy and use funds only for non-partisan activities.

In accordance with these criteria, the Department of the Secretary of State has set three priorities: economic equality, social justice and access and participation.

Last year, REAL Women obtained funding under those criteria. Until we have seen, after one year, whether the program for which funding was requested was in fact carried out as described, we will not know whether the criteria were net. Officers at the department are now analyzing the application, and based on the criteria and on what happened last year, Madam Speaker, they will decide whether the application for funding meets those criteria.

I can assure the hon. member for New Westminster—Burnaby (Ms. Black) that I will personally see to it that these criteria are enforced, and that the analyses made by departmental staff are reliable, so that we can find out whether or not this group deserves to be subsidized.

The Acting Speaker (Mrs. Champagne): The motion that the House do now adjourn is now deemed to have been adopted. The House therefore stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

The House adjourned at 6.30 p.m.

HOUSE OF COMMONS

Friday, May 4, 1990

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

• (1010)

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-53, an act to amend the Criminal Code (arson), as reported (with an amendment) from a legislative committee.

Mr. Speaker: There is one motion on the notice paper offered in amendment to the report stage of Bill C-53, an act to amend the Criminal Code (arson), standing in the name of the hon. member for Scarborough—Rouge River.

[*Translation*]

The House will now proceed with motion numbered 1.

[*English*]

Mr. Derek Lee (Scarborough—Rouge River) moved:

That Bill C-53 be amended in Clause 1 by striking out lines 26 to 45 at page 2 and substituting the following therefor:

"436. Every person who owns, in whole or in part, or controls property is guilty of an indictable offence and liable to imprisonment for a term not exceeding five years where

(a) that person wilfully or recklessly disregards the life or safety of another person or the security of property by failing to comply with any law respecting the prevention of fires or explosions in the property; and

(b) the failure to comply with a law mentioned in paragraph (a) is a cause of a fire or an explosion in the property which causes bodily harm to another person or damage to property."

He said: Mr. Speaker, I am pleased to rise at this time to speak to my amendment to Bill C-53, a bill providing for reform of the arson legislation.

Section 436 as it is proposed now in the government's Bill C-53 purports to create a new offence which has been generally called "arson by negligence" where fire results from a degree of negligence. The key words and thrust of the new section are that a person would be guilty of an offence under that section if the person is a cause of a fire—and that does not mean the cause but a cause, among others—and where the fire is the result of a marked departure from a standard of care that a reasonably prudent person would use.

The issue that that raises is this. What is a marked departure from that standard of care? Here we are forced to use some hypotheticals. It could be a careless or a stupid act like leaving an open can of gasoline next to a furnace burner in a basement, or it could simply be an omission.

Here I would use a hypothetical something like a senior citizen of advanced years living in his or her home who fails to correct substandard wiring in their home. That is assuming that the wiring as it exists now does not comply with existing municipal by-law standards.

The proposed Section 436 does not leave us without any help as to what a marked departure from that standard is.

Subsection (2) of the proposed section permits a court to infer a marked departure from a standard of care where there is a failure to comply with any law respecting the prevention of fires. In this case of a by-law governing an electrical wiring, I think I could reasonably infer that that was the purpose of such a by-law.

In this particular hypothetical we have a situation where this person, perhaps of advanced years, and perhaps not as mindful of things as he or she might have been in their youth, fails to comply with the municipal by-law, whether or not they knew it, because the section does not require the person who breaches the municipal by-law to know that they breached it. Nor does it require

a conviction. Whether or not they knew they were in breach of the by-law, it permits a court to infer that there was a marked departure.

In that hypothetical we have created a situation where a person has become criminally liable, someone who did not intend to become criminally liable and who did not know that they were criminally liable.

In our criminal law we have certain safeguards which have been with us for years—almost for centuries, I could say. We go back to the Magna Carta for that purpose.

To be guilty of a criminal act, there must be an act or an omission of some sort, and there must be an element accompanying that which manifests an intention to do the act or to fail to act, in the case of an omission.

However, in this case we have a person who, in my view, never had the intention to be a criminal and did not know an offence was committed until afterward when the Crown Attorney becomes the lightning rod for all the anger and frustration that usually accompanies a tragic fire of this sort.

That is not how our criminal law is supposed to work. How can we deter citizens from committing offences if they do not know they are committing them as they go about their lives? In this case the person really would not know they had been guilty of an offence until afterward when a charge was laid and they were convicted.

There are three problems that have been cited in connection with this section dealing with arson by negligence. The first is that it creates a fuzzy standard, one that has not been used before. The standard of a marked departure from a standard of care that a reasonably prudent person would use is a standard that is used in the civil law, but not the criminal law.

Second, the section purports to impose what lawyers and law professors call an "objective standard" relative to the mental element or intention of the criminal offence I referred to earlier. The Supreme Court has divided on a couple of occasions on the issue of whether it will permit the criminal law to use an objective standard. There is a continuing sense that we must have a subjective standard, a subjective reference point when dealing with the intention of an alleged criminal.

Third, there is some consensus in some quarters that this provision as it is may bump up against and fail because of the Section 7 guarantees of fundamental justice in our Charter.

What this section really does is permit a Crown attorney to say to the court: "Your Honour, here are the facts. Here is the tragic result. You decide whether this person was a good guy or a bad guy, and if you want to convict him, go ahead". Meanwhile, this good guy or bad guy never knew that he or she was a good guy or a bad guy in the hypothetical I presented, and that is not right.

The amendment I propose targets those who advertently, wilfully and recklessly endanger life or safety by failing to comply with any law with respect to the prevention of fires or explosions.

The concept of criminal negligence which I would use is already incorporated in our Criminal Code. The provisions of wilfulness, recklessness and disregard for life are elements that deal with the intention or mental element I referred to earlier. The section is viable under the Charter. It has been tested and we currently use it, for example, in criminal negligence cases causing loss of life and in motor vehicle cases involving negligence.

If we pass the government's proposed Section 436, we leave open the possibility of a court challenge. The Department of Justice knows that it is breaking new ground with this section, new ground that presents risks to our civil liberties *vis-à-vis* the protections we have in our criminal law. If this section does not survive a court challenge, then we have succeeded in creating a new section of the Criminal Code that is just as clumsy and unworkable as those old outmoded clumsy sections we have been trying to replace through reform. That is the risk which I submit the government is taking at this time.

• (1020)

The Canadian Bar Association supports this amendment. In fact, it has drafted it. I will not take credit for its drafting. I am pleased to present this amendment to the House.

I challenge the government not to gamble with these uncertain standards and not to permit a court challenge dealing with validity involving the Criminal Code standards or Section 7 of the Charter.

I urge the government not to permit the Department of Justice to continue to live life in the fast lane like this and to support my amendment.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I am pleased to rise to speak on this bill to amend the arson legislation. These measures will, as we know, result in tougher criminal sanctions for arson, particularly in cases resulting in bodily harm or in arson involving homes or other residences. Those tougher criminal sanctions are to be welcomed.

It is to be noted, too, that this is the first major change to the Criminal Code provisions on arson in this century since 1892. We are dealing with an area which we have not rushed into in the past, but it is an important area to which we should pay careful attention.

With regard to Section 436 and the amendment proposed by the member for Scarborough—Rouge River, we have some major concerns with the terminology used in the government's version of the section to which the hon. member has referred.

He quite rightly pointed out that a person could be charged with a criminal offence for not being the cause of a fire but for being a cause of a fire. It is not that I have so many concerns about that if one or a number of people are engaged in ensuring that arson takes place. The more important concern is with regard to the standard or to the test which will be applied as to whether or not a person will be found guilty of the offence.

At best, it is a nebulous charge. It may be, as has been pointed out, that it will be rendered unconstitutional.

I would like to read the proposed terminology in the government's bill. It states that a person would be liable "where, as a result of a marked departure from the standard of care that a reasonably prudent person would use to prevent fires or explosions, that person is a cause of a fire or explosion in that property that causes bodily harm to another person or damage to property".

We would, of course, always have some concerns and some uncertainties as to what is meant by a marked departure, although some statements by the Supreme Court of Canada certainly suggest that that is a reasonable guideline. I will come back to that.

There is clearly some uncertainty about what will be meant by "a marked departure". That would leave Canadians uncertain as to the behaviour expected of them, leading up to any potential criminal offence. Indeed, leading up to and after a case of arson, they would not know, nor would they be able to know, what standard of care was expected of them, what would be a marked departure from that standard of care and what would not be.

We also have difficult problems of predictability when we use a standard of care that is expected of a reasonably prudent person. It is, as has been pointed out, the standard used in assessing civil actions, for instance, whether or not in a motor vehicle accident somebody has acted in a way which would not meet the standard of care expected of a reasonably prudent driver of a motor vehicle.

We have not explored the opportunities for using those sorts of standards in the Criminal Code. I think it unwise to suggest to Canadians that they will be treated as criminals and, indeed, will be punished as criminals when the activity that they pursue is not deliberate activity but is activity which is negligent, and not of any particular level of negligence either. In the terminology of "marked departure" there is some lesser degree of negligence than, for example, there is with gross negligence.

It is not generally expected by Canadians that they will be treated as criminals unless they have the intention to be criminals. There are some exceptions, but I think in the case of arson, and in this case, we do not need to go as far as to make negligent Canadians criminals in this regard. That is not to say that we should not be tightening the rules with regard to arson. As I said, my party and I welcome that.

The amendment proposed by the hon. member for Scarborough—Rouge River is to make the provisions clearly more certain for those who might be involved, and also to ensure that those who are treated as criminals are people who have done something deliberately or sufficiently recklessly as to almost make it deliberate in the activity involved.

As he points out the test that he and the Canadian Bar Association are suggesting is that a person would be responsible for a criminal offence if that person wilfully or recklessly disregards the life or safety of another person or the security of property by failing to comply with any law respecting the prevention of fires or explosions in the property.

That would make a person who on purpose or recklessly disregards the fact that regulations might be in place, and does not find out because essentially he does not want to find out, responsible for a criminal offence. That test I think is a better one. It is a clearer one. It is one which will stand up against constitutional challenge, whereas I think there are some serious difficulties with regard to the government's test in Section 436. I do not think it would be wise to be courting a constitutional problem on this particular matter.

I make two points. First, the standard proposed by the government in Section 436 is one which flows out of a Supreme Court of Canada decision, but a decision which was really evenly divided on this particular point. What that does is put forward the possibility that with changes to the Supreme Court, which of course are presently under way, and certainly differences from the court in 1987, a different opinion might be voiced on the acceptability of the test proposed in Section 436. I think it would not be wise for the government to put forward a test which was not overwhelmingly adopted by the Supreme Court of Canada, but which was only adopted by some of the members of that court.

Second, with regard to the constitutionality, there are at least strong indications that this proposal in Section 436 would be rendered unconstitutional because of contravening Section 7 of the Charter. If that were the case, we would then be left with essentially an unworkable section, a section which does not serve either the government's purpose or any public purpose to control arson. Consequently, we would be worse off than we are now.

For those reasons I think there is real concern with the formulation of Section 436 as proposed by the government. I suggest that the amendment creates more certainty and will stand up in any challenge. Consequently, it is a better route to follow.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, this bill, Bill C–53, has received wide support.

• (1030)

[*Translation*]

The only provision on which there is a difference of opinion is that contained in the definition of negligent arson. The government accepted the suggestion made by the Canadian Bar Association concerning the area covered by this offence.

[*English*]

However, there still remains a difference of opinion as to which definition of negligence should be adopted.

The hon. member for Scarborough—Rouge River in his Notice of Motion has advanced the definition proposed by the Canadian Bar Association. The government, having been urged by a number of persons to retain an offence of arson by negligence, in this bill has favoured the test for negligence proposed by the Law Reform Commission of Canada in its report 31.

Although, in most cases the two tests would produce the same result, they would lead to a different result where, on the evidence, it is clear that a property owner or manager neglected to maintain his or her property and the neglect was a cause of a fire or explosion in that property which caused bodily harm to another or damaged a property.

Under the formulation of the hon. member for Scarborough—Rouge River, the issue before the court would be whether the owner or manager had been reckless in that he or she had been aware of the risk of fire or explosions. Such an owner could argue that he or she was never consciously aware of a risk of fire, but just neglected the premises. In effect, the owner would be permitted to turn a blind eye to the risk of fire, and if believed would be acquitted.

I could go further and say that the amendment as proposed by the hon. member for Scarborough—Rouge River requires, as a preliminary threshold for establishing an offence under this section, that a person has failed to comply with any law because wilful or reckless regard for the life or safety of another person is defined as failing to comply with any law respecting the prevention of fires or explosions in the property. There is an initial threshold that has to be overcome to establish that there

is a law in place, whether that would be a provincial law or a municipal bylaw, that that law has been breached by the person in question and then criminal liability results from that.

I believe the formulation which the government favours is one that is a little broader and which takes into account the inherent nature of the behaviour of the person who is accused irrespective of whether that behaviour can be found to come within an existing legal framework; in other words, whether a law has been breached. The preliminary threshold of establishing the existence of a law and its breach prior to establishing the *mens rea* sufficient to convict under this section is not a barrier which is in the government's formulation.

I think it is very important because the whole notion of the law of negligence is that there are obligations and duties in society that may not be statutory but that are nonetheless obligations and duties that individuals can be bound by in their responsibility to their fellow man, and that is the duty of care as we discuss in the law of negligence.

Under the government's formulation, the issue before the court would be whether the accused's conduct constituted a marked departure from the standard of care that a reasonably prudent person would use. Under the government's formulation, the property owner or manager would not be allowed to turn a blind eye to the deterioration of the premises as a result of his or her neglect and would be convicted irrespective of whether a law relating to the premises had been breached.

As between the two tests, the government's formulation would place an unmistakable onus on those who own or operate multiple-unit dwellings, especially rooming houses, to not neglect their properties to the point that they become fire traps.

We have chosen to proceed with the government's formulation because we have an obligation to do all the law can to ensure the safety of those who live in these units, many of whom have no other place to go.

With respect to the comments of my colleague from Scarborough—Rouge River and further to what was indicated by the hon. member for Saskatoon—Clark's Crossing, on the terminology "marked departure", that test was taken from the judgment of Mr. Justice McIntyre, as he then was in the Supreme Court of Canada in its decision in the Tutton case. The marked departure will be a question of fact in every case. In the scenario described by my colleague from Scarborough—Rouge River, I believe marked departure is a high threshold which has to be established before liability can attach. The examples the hon. member used would not likely constitute marked departure.

I would argue that the government's formulation which is taken from the recommendation of the Law Reform Commission is better in that it reduces the two-stage threshold; the need to establish the existence of a law that has not been complied with before criminal liability can be found under this act, that criminal liability relates directly to the actual behaviour of the person who is accused and whether that behaviour is a marked departure from the standard of care that a reasonably prudent person would be found to be obliged to observe.

On that basis, I wish to indicate my support for the government's formulation of this clause in the bill. I intend to speak against the amendment.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Some Hon. Members: No.

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

Amendment (Mr. Lee) negatived.

Ms. Campbell (Vancouver Centre) moved that the bill be concurred in.

Motion agreed to.

Ms. Campbell (Vancouver Centre) moved that the bill be read the third time and passed.

Motion agreed to, bill read the third time and passed.

Government Orders

BRITISH COLUMBIA COURTS AMENDMENT ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-59, an act to amend various acts to give effect to the reconstitution of the courts in British Columbia, as reported (without amendment) from a Legislative Committee.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that the bill be concurred in.

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

Some Hon. Members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. Paproski): The hon. member for Mission—Coquitlam.

Ms. Langan: Mr. Speaker, I think both the Liberal member and myself rose to speak on the bill that we were just discussing. Could you clarify what happened? Have you moved on without giving us an opportunity to speak?

The Acting Speaker (Mr. Paproski): Bill C-59 has been concurred in, and now we are at third reading.

Ms. Campbell (Vancouver Centre) moved that the bill be read a third time and passed.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I rise to say I favour there being a tightening of legislation with regard to arson.

I feel somewhat disappointed that I did not have the opportunity to speak to the amendment. What we have had in this Chamber today is presentation on all sides regarding the amendment, and the main motion put forward by people with a legal background. One of the things I would like to discuss is this motion.

• (1040)

The difficulty I feel we have is in putting forward legislation that is not understandable by the average Canadian. It seems to me that as legislators we have been discussing putting forward legislation in this House that is understandable, that is not cloaked in legalese, not cloaked in the kind of language that creates, if you like, a new industry of interpretation.

The Acting Speaker (Mr. Paproski): Bill C-53 which the hon. member is debating now has been adopted. I am afraid that what we are talking about now is C-59. We cannot go back to C-53. It has been adopted and carried.

I regret that the hon. member did not rise in order to speak on C-53. I cannot do anything unless members rise and say they want to speak. The procedure is the mover of the motion and usually somebody from the NDP and then the minister winds up. If the hon. member had risen I would have recognized her.

Now we are on C-59. If you wish to speak on this bill I will hear you. It has to do with the reconstitution of the courts of British Columbia.

The hon. member for Mission—Coquitlam.

Ms. Langan: Mr. Speaker, I had risen and that is why I asked for clarification. I would like at this time to move:

That this House do now adjourn.

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

Some Hon. Members: No.

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

Some Hon. Members: Yea.

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

Some Hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Paproski): Call in the members.

The House divided on the motion which was negatived on the following division:

(Division No. 252)

YEAS

Members

Black	Butland
Fisher	Fulton
Langan (Mission—Coquitlam)—5	

NAYS

Members

Atkinson	Campbell (South West Nova)
Campbell (Vancouver Centre)	Cole
Cooper	Domm
Epp	Finestone
Friesen	Gauthier
Greene	Harb
Hawkes	Horner
Lee	Littlechild
McKnight	Moore
Nicholson	Phinney
Pronovost	Redway
Robitaille	Rocheleau
Thacker	Tremblay (Lotbinière)
Volpe	Wenman—28

The Acting Speaker (Mr. Paproski): I declare the motion lost.

Resuming debate on Bill C-59, the hon. member for Saskatoon—Clark's Crossing.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, we are debating an act to reconstitute the courts in British Columbia.

This bill is not a controversial piece of legislation, but it is important to recognize that the business of the House does not work very effectively if members are not able to present their positions on bills like this. On the bill that was of some importance today, the bill dealing with arson, there were members who wanted to speak, but unfortunately they were not given the opportunity to do so. Two speakers stood but they were not recognized, and consequently things happened then which nobody particularly wanted to happen.

We are now dealing with legislation to merge the county courts in British Columbia with the Supreme Court, a move which has been taking place across the country. The opportunity is for courts to be more as one court, rather than a range of courts, still under the jurisdiction of the federal government.

The provinces are supportive of the measure, and it certainly seems desired by the province of British Columbia. Once we have dealt with Ontario, this would leave only the Nova Scotia court system with a divided trial court jurisdiction.

• (1050)

We are seeing movements across the country to bring federal courts together under one aegis, if you like. We have supported this merger and will continue to support it. It should result in a more effective court system across British Columbia and the other provinces where it has been adopted.

There are some matters with judges and the courts which we might want to refer to in dealing with this piece of legislation. We have, over the last while, seen comments made by judges on a range of activities which should give concern to the federal government. One matter in particular is giving concern to the members in the New Democratic Party, and that is the independence of the judiciary.

There is a case in Quebec of a family court judge speaking out against inadequate services for the protection of children. She now finds herself being accused of improper conduct for not following the normal procedures expected of judges. Surely, we do not expect our judges to close their minds to the things going on around them. We should expect them to take a leadership role in pointing out matters which they feel concerning our society, and in particular, those which they encounter as a result of the activities they pursue on a regular basis. If they do recognize that services are inadequate and they cannot do their job effectively because of, for example, inadequate social services, then it is important that they be able to speak out against them.

I think it is important for all of us to recognize and support judges who do speak out against injustices in our society. We know of other judges faced with that problem. A former leader in British Columbia, Mr. Justice Berger, was faced with some of those concerns as well. He felt that he was unable to speak out on important constitutional matters and found it no longer possible to stay on the bench as a result of those restrictions.

While discussing the proposals to put county courts and the Supreme Court of British Columbia under one organization, it is important to recognize that not all is well with the way in which our judges are treated and the way in which we, as a society, can make use of judges both on and off the bench.

We have concerns, as we have all heard, over the recent while of male judges in particular, not speaking in favourable terms towards women and indeed being insulting toward women from the bench. We know that that does not help the public view the courts with the appropriate level of respect that is needed in the circumstances.

We have concerns about the way in which the courts operate. We think it is important that the courts be streamlined so they will become more efficient and effective. We have to bear in mind that not everything that judges do is well regarded, especially when they attack and insult Canadians. We hope these concerns will be treated in the appropriate way. It is important that judges who do make attacks on women that have been the victims of various sorts of abuse, are chastised and not permitted to carry on in the way in which they have done in the past. It is important for all of us to speak out against that.

The NDP is in favour of this bill, and we are supporting the merger of the courts in British Columbia, the county courts with the Supreme Court.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to have an opportunity to speak on Bill C–59. I hope we have an opportunity to hear from the Minister of Justice on a couple of points that I am going to raise.

The concept of the merging of courts is something that has been going on for a long period of time, not just in Canada and British Columbia but in many areas of the world. This is in part because of the duplication of some services and the more appropriate delivery of services that one gets with a more streamlined system.

British Columbia is a case in point where we have the former Chief Justice of the British Columbia Supreme Court, now the Chief Justice of the British Columbia Court of Appeal, Mr. McEachern. At this time, rather than being seized with mostly Court of Appeal actions, Mr. Justice McEachern is seized with one of the most important matters ever to come before the Supreme Court of British Columbia, that is the Gitksan–Wet'Suwet'en trial that is presently in its final stages in Smithers, in northwestern British Columbia.

After many years of having worked in all levels of the courts in British Columbia as an officer of the court, in many cases that might go to the Supreme Court or to the Court of Appeal, they will be better dealt with by having, what might be described as the umbrella approach in relation to cases that are on appeal. Also, this happens where various kinds of injunctive actions are being sought, such as those that have been sought in relation to many First Nations cases and so on.

We on this side would like to hear from the Minister of Justice about that part of the bill which deals with money matters, and clause 25 is obviously the part that relates to salaries of judges. One of the great problems being faced in British Columbia is having access to funds to take various matters to the court, which is something that has been raised many times in this House.

This is not only in relation to charter and constitutional matters, but to one of the most serious problems that we have in British Columbia at the moment. It is one that is continuing to accelerate on both the legal and political scale, and that is in relation to matters facing First Nations. Since the Minister of Justice has chosen to use this B.C. court amendment to deal with money matters, we on this side, following Question Period, very much look forward to hearing from the minister.

We want to know why, if some money matters were chosen to be dealt with in relation to salaries, the same kind of opportunity was not chosen to introduce into the bill, a somewhat more compassionate and realistic reflection of the needs in British Columbia for access. They need access until this bill is passed by Governor in Council, for matters that either end up in the Supreme Court of British Columbia, such as the Gitksan–Wet'Suwet'en trial and others, or matters that end up at the B.C. Court of Appeal.

There are matters such as the Meares Island case and others, where there are groups whose rights are being abridged and violated. In a province like British Columbia there is a great need for access to funds. They need it not just for legal counsel but also to prepare cases that are becoming increasingly complex. In relation to recent rulings of the Supreme Court of Canada, we know of the need for small groups to have access to funds to protect their rights.

In a province like British Columbia, access to funds is needed so aboriginal peoples, in particular, can properly prepare themselves in relation to historic treaties and in relations with the provincial or federal legislatures. I look forward to hearing the Minister of Justice who, perhaps has plans to attach to this other financial proposals, of which I think funding access to the courts would be the most important.

At the beginning of the bill, it would be interesting to hear from the Minister of Justice—

The Acting Speaker (Mr. Paproski): It being eleven o'clock a.m., pursuant to Standing Order 35, the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

GOODS AND SERVICES TAX

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, the goods and services tax, Canada's answer to the European Community's value added tax, is an excellent target for the opposition to hone its expertise for scaring and misinforming Canadians, a talent they developed during the last election.

People are worried, but they are slowly becoming angry. They are no longer satisfied with the hollow opposition rhetoric and are demanding information. In my office, we have responded to hundreds and hundreds of requests for information about the goods and services tax.

I have received outright support and qualified acceptance for the GST and, of course, some people remain to be convinced. I am sure time will show Canadians that this tough political decision will create a fairer tax system and a stronger country. The Liberal members of the other place know this, which is why they have already begun to stall passage of the bill. There is more concern for the welfare of the Liberal party in the other place than there is for the welfare of Canadians.

* * *

[*Translation*]

LINGUISTIC MINORITIES

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, after two years of gradually losing his patience, the commissioner of Official Languages has repeated his threat to resign because of the government's failure to table its draft regulations arising from the Official Languages Act.

The *Fédération des francophones hors Québec*, the national organization which represents francophone minorities in Canada, has now withdrawn from consultations with Treasury Board.

Mr. Speaker, the FFHQ refuses to be a party to this government's manoeuvring to delay indefinitely the implementation of the Official Languages Act. The government's reluctance to implement a policy it has been bragging about for two years is both incomprehensible and unacceptable. The time for consultation is over. Language minorities want action. If the Prime Minister is at all serious about this matter, he will accept my invitation to appear before the committee on Official Languages and explain his government's inability to table in the House the regulations arising from this legislation.

* * *

[*English*]

MONEY LAUNDERING

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, there is increased concern over the growth in drug trafficking in Canada and the laundering of illegal drug money into the global financial system.

Today, I want to commend Donald Fullerton, the head of the Canadian Imperial Bank of Commerce for his "get tough" recommendation. Mr. Fullerton said: "Banks that knowingly launder money by electronic transactions should be barred from the system that makes those transactions possible".

Money laundering involves about $85 billion U.S. a year in Europe and North America, according to a task force report. "We need to put teeth into the codes of conduct governing our members", said Mr. Fullerton, "and we need the courage to be ruthless with those who break the rules".

I call upon this government to initiate the brutal action required.

* * *

THE PRIME MINISTER

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, Canadians are well aware of the Prime Minister's fetish for Guccis and Perrier. Today, we read in *La Presse* newspaper that two food tasters accompanied him on his recent trip to the Atlantic provinces. This raises many interesting questions.

Are these the first food tasters to travel with him? If not, what happened to the previous ones? Have these jobs been given a high risk factor, given that the PM has broken all records for unpopularity?

We also read that the Tories are having a special caucus meeting this weekend. Rumours persist that two former caucus members from Alberta were recently spied in the cookbook section of Coles bookstore and could be masquerading as chefs at Mont Tremblant this weekend.

I would suggest to the PM that, in the event that the GST is on his political menu, perhaps he should pass on the beef cordon bleu and pears *flambé* this weekend, and opt instead for brown bag "baloney" sandwiches, a meat delicacy we know he must love because Canadians are constantly telling us he is full of it.

* * *

VIA RAIL

Mr. Jim Fulton (Skeena): Mr. Speaker, VIA Rail's 1989 annual report is out and it reveals a very different picture from that given by the Conservatives.

The Tories claimed that Canadians were giving up on the trains. In fact, ridership was up and trains were more full. The Tories claimed the revenue was down and costs were up. In fact, VIA was costing less and making more. The first six months of 1989 showed a 4 per cent increase over the same period of 1988. It was only after a 10 per cent fare increase was forced on VIA by the Conservatives that the corporation's progress faltered. The crippling of VIA by the Conservatives through arbitrary cuts, uncertainty and privatization of popular routes such as the Rocky Mountaineer reveal a group of politicians determined to destroy a transportation service popular and needed among Canadians.

More cuts are now proposed and the target is the remote lines which VIA operates as a mandatory part of the network. To those who understand the environmental and the economic value of passenger trains in Canada, these cuts reveal Conservative policy as dangerously ignorant and biased against the west, biased against rural Canada, and biased against common sense.

GOODS AND SERVICES TAX

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, the Prime Minister yesterday brought good news to Atlantic Canada by announcing that the data processing centre that will administer the goods and services tax will be established in Summerside, Prince Edward Island.

This new centre will create 400 direct full and part-time jobs for the people of Summerside, in addition to 100 indirect jobs and is further evidence of this government's commitment to generate economic growth in the regions of the country.

As Premier Ghiz so aptly stated: "This announcement is a fulfilment of the Prime Minister's personal leadership and a symbol of the kind of reconciliation and fairness that Canadian federalism is all about. I applaud the Prime Minister's initiative on behalf of the people of Summerside and look forward to more good news for Atlantic Canada".

* * *

INTEREST RATES

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, the current government has systematically brought Canadian businessmen to their knees with its unrelenting policy of high interest rates. With the bank prime set in excess of 14.25 per cent, which means that many businesses pay 1 to 2 per cent higher than that, small businesses are now on the brink of financial disaster.

As well, it is throwing all of the government's claims of deficit reduction and on-track budgeting of federal finances out of reach. A 1 per cent increase in the central bank's interest rate hikes the deficit by $1.7 billion. How can their claims to being fiscally responsible be considered as credible? More appropriately, I would call those claims by the government incredible.

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[*Translation*]

TREE AND FOREST WEEK

Mr. Charles-Eugène Marin (Gaspé): Mr. Speaker, I would like to draw the attention of the House to tree and forest week, from May 6 to May 12. This year's theme is: Our forests as a resource. The purpose of this theme is

to make us think about the ways in which our forest resources affect our lives.

Each one of us must do his or her share to ensure that future generations will also have the privilege of living in a country blessed with the kind of forests we have today. Our forests are without a doubt our most important resource, and they have enabled Canada to create its own identity. For centuries, our forests have inspired and influenced our literature, music and art. Our increased environmental awareness will ensure that our forests will continue to inspire and influence future generations of Canadians.

The proclamation of Bill C–29 this year gave Forestry Canada a mandate to promote the sound use and management of our forest resources, in the economic, social and environmental interests of all Canadians, today and in the years to come.

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[*English*]

GOODS AND SERVICES TAX

Mr. Mac Harb (Ottawa Centre): Canadians are now witnessing the obvious signs of a threatened economy. Interest rates are at their highest level in eight years, bankruptcies are 30 per cent higher than they were at this time last year, and for the first time since the recession in 1982, our gross domestic product has dropped for two months in a row.

The government has told Canadians that it is maintaining its high interest rate policy to fight inflation, but indications show that this policy is not working. To add insult to injury, the implementation of the goods and services tax will add at least another 2 per cent to the inflation rate. Obviously, the goods and services tax will ensure that inflation and high interest rates will continue for at least another two or three years and Canadians will have to pay the price.

If this government is sincere in its wish to halt inflation and prevent real damage to our economy, it must put a moratorium on its plans to proceed with the goods and services tax.

* * *

GOODS AND SERVICES TAX

Mr. Rod Murphy (Churchill): Mr. Speaker, those of us from Manitoba pricked up our ears at the news that Summerside, P.E.I., has been declared the future headquarters for the collection and administration of the goods and services tax. We congratulate Summerside, P.E.I. What a dubious honour.

Maybe now the people of Summerside will forgive the Prime Minister for closing down the Canadian Forces Base and bringing in the goods and services tax. Maybe they will do that, but I doubt it. They will still be out 1,300 jobs, and they will still have to pay the goods and services tax like the rest of Canadians.

Meanwhile, I can guarantee that the people of Manitoba are not going to forgive and forget. Our forces base at Portage La Prairie was closed last year and we are still waiting to see how the Conservatives are going to try and appease us. If Summerside, with an opposition member representing it, can get a GST headquarters, why has the government member for Portage—Interlake not been able to swing a deal for Portage? After all, he did not vote against the budget that closed the base, despite the fact that he told his constituents that he would.

• (1110)

Let me assure both the hon. member for Portage and the Prime Minister that the people of Manitoba have not forgotten. We are still watching and we are still waiting. We want to see what kind of national headquarters the Prime Minister is going to dream up for Portage La Prairie, Manitoba.

* * *

[*Translation*]

MULTIPLE SCLEROSIS SOCIETY OF CANADA

Mr. Jean–Marc Robitaille (Terrebonne): Mr. Speaker, May is the month when we focus special attention on multiple sclerosis, a disease of the central nervous system which affects about 50,000 Canadians.

Thanks to the initiative and constant efforts of thousands of volunteers and the work of dedicated staff

workers, the Multiple Sclerosis Society of Canada was able to set a record for donations received last year. One particular event was very successful. I am referring to the first 150 kilometre bicycle tour which attracted 600 cyclists and raised $433,000.

The organization, with 160 local sections, has over the years provided information, offered services to people stricken by this disease and to their families, and created a research foundation whose goal is to discover the cause of the disease and how it affects the central nervous system.

Hats off to the Multiple Sclerosis Society for its great work!

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[*English*]

GOODS AND SERVICES TAX

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, Canadians were once again treated to the icy hand of Tory manipulation yesterday as the Prime Minister promised a GST data processing centre in Summerside, P.E.I.

One year ago, the Tories took 1,300 jobs out of this community by summarily closing down a military air base, one that still had a legitimate and useful function. Now, in cynical response to overwhelming public condemnation in both P.E.I. and nationally, the government is offering up a poor alternative by engaging the residents in the processing of the most unpopular tax in recent history.

The GST is opposed by 80 per cent of all Canadians and must still be passed before this government will provide such a centre to Summerside. The implication is that the residents must swallow their principles and their pride and coerce Liberal members and Senators to engage them in passing this evil tax.

The Liberal Party had presented a viable self-financing alternative for peacekeeping for the area—

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

* * *

MULTIPLE SCLEROSIS SOCIETY OF CANADA

Mr. Ken Atkinson (St. Catharines): Mr. Speaker, multiple sclerosis is the most common disease of the central nervous system which usually strikes young adults in the prime of their life.

To call attention to this disease and those who must live with it, the month of May has been designated multiple sclerosis month by the Multiple Sclerosis Society of Canada. It is devoted to the carnation fund raising and public education campaign and I therefore take this opportunity to recognize the work of the society's many volunteers.

Some volunteers provide direct services to patients and their families through 160 local chapters. Others assist in the campaign to raise much needed research funds. All contribute to making our communities compassionate and caring places to live.

Like all voluntary health organizations, the Multiple Sclerosis Society of Canada is relentless in pursuit of its goals to find the cause and cure of the disease and, in the meantime, to find even more effective ways to assist those who are affected directly.

I wish to express the gratitude of all Canadians to the members and volunteers of the Multiple Sclerosis Society of Canada.

* * *

MEECH LAKE ACCORD

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, once again the ruthlessness of this government has been revealed for all to see.

In a difficult political climate with regional and language tensions rising, the Conservative government has resorted to economic blackmail to force passage of the Meech Lake Accord. Today, the Newfoundland Minister of Social Services reports that the Minister of Employment and Immigration told him that federal help for Newfoundland's fisheries and immigration problems would be forthcoming, if they were more co-operative on the Meech Lake Accord.

This confirms the pattern of bullying by this government in an attempt to throw its weight around against all those who dare to defy its wishes. Surely the Constitution of Canada and the future prosperity and stability of our country are too important to warrant such strong-arm tactics.

I call on the Minister of Employment and Immigration to stand in her place at the first opportunity and clarify this accusation. Did she, on behalf of the federal government, issue such a threat, veiled or otherwise?

I urge the Government of Canada to maintain a reasonable and flexible process of negotiation with all provinces. Now is not the time to bring out knuckledusters.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Deputy Prime Minister, in the absence of the Minister of Finance.

We know that the government's economic policies have been undermining consumer and business confidence in this country. We know that bankruptcies are up 29 per cent. We have had two consecutive months of negative economic growth, house sales are down, and today we learn that domestic car sales are down by 34 per cent.

The president of Ford Motor Company (Canada) said: "It seems that the Governor of the Bank of Canada is determined to achieve zero inflation, even if the attempt to do so triggers a recession and a sharp increase in unemployment".

What has become clear is that the biggest bankrupt in this country is the Minister of Finance whose policies are bankrupt.

When is the minister going to recognize that the government's policies are killing confidence, killing jobs and killing consumers and see the light?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I found the statistics that the hon. member quotes rather interesting. What he forgot to say about the auto industry, as a spokesman for the industry said: "The latest figures were bound to look bad in comparison with last April when car sales peaked after a long and steady climb out of the recession years of 1982 and 1983".

It is easy to compare the figures now with the figures of last April when car sales were at their absolute peak. The statistics that the hon. member presents, although being accurate, do not reflect very fairly on what is going on in the economy.

The hon. member knows full well that there are still signs of inflationary pressures in this country. Until those are brought under control, we must maintain the current high interest rates. The Minister of Finance has made it very clear that if we can wring inflation out of the economy, then interest rates will come down and will stay down. That is the goal of this government and we are going to succeed.

[*Translation*]

Mr. John Manley (Ottawa South): Mr. Speaker, my second question is directed to the same minister. In his budget, the minister projected interest rates of up to 11.1 per cent for 1990.

Since interest rates are now over 13 per cent 13.8 per cent today and a 1 per cent increase in the interest rate adds another $1.75 billion to the deficit, what measures does the minister intend to take to meet this year's objective with respect to the deficit?

[*English*]

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, we are now just one month into the fiscal year. Those interest rates are the average for the entire year. We are one month into the fiscal year, so it is a little early to be adjusting anything at this particular time.

The Minister of Finance explained very clearly in the House the other day that there is a watching brief that goes on all the time and that the government can take different directions, if it is found necessary. It is far too early at this point in time to be making unnecessary adjustments.

We are attempting to get interest rates down on a permanent basis, so we do not have what we had in 1982 and 1983 where families were just walking away from homes because they had to take a 12 per cent mortgage rate under the old system and refinance at 24 per cent, which amounted to 10 per cent more than they were paying before. We do not want that to happen this time, that is why we are taking this action.

Mr. John Manley (Ottawa South): Mr. Speaker, the incompetence of this government is staggering. The minister does not even know that his interest rate projections in the budget are on a calendar year basis. We are in the fifth month of a year in which an 11.1 per cent rate of interest is projected.

Now, is the minister going to stand up in his place and promise the Canadian people that interest rates for the balance of calendar year 1990 are going to average 8.5 per cent, because that is what his budget is saying.

Canadians all over Canada are having to redo their budgets because of the policies of this government. Maybe it is time they redid their budget.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Well, I am not sure if there was a question there or not, but a sign of outrage coming from that particular party after what they put this country through in 1981 and 1982 rings hollow.

* * *

• (1120)

GUN CONTROL

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, my question is to the Minister of Justice and it relates to proposals to amend the Criminal Code relative to firearm legislation.

Press reports today indicate that the focus of the government's proposed reform will be on the size of the bullet or magazine clip.

Given that we are dealing with an onslaught of military-style automatics and semi-automatics with immense killing power, will the minister not concede that simply dealing with the size of the gun clip is a flimsy and cosmetic substitute for real reform that Canadians will feel comfortable with?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, it is regrettable that the opposition relies for their research on newspaper reports because they are not the most helpful sources of information.

The recent newspaper articles were interesting in their imagination, because I made it clear that there were a number of issues that the government was looking at, but at no time did I state what would be in the proposal before the House because the legislation has not been deposited before the House, nor is there a firm proposal on it.

What I said to the reporter from the *Montreal Gazette*, whose article was picked up in the *Ottawa Citizen*, was that that was one of a number of areas that we were looking at. I am looking forward, before the House rises in this session, to depositing a more comprehensive approach in legislation before this House.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, perhaps we could deal with the gun clip issue then. One of the difficulties faced by Canadians in improving gun control is the ease with which semi-automatics can be converted to fully automatic weapons. In fact, there are situations where guns manufactured as automatics are intended to be modified to semi-automatic and then back to automatic by the owner.

If the minister is going to propose restricting the size of a gun clip as one of her answers to gun control, will she not admit that it is even easier for an irresponsible gun owner to throw away a small gun clip and replace it with a larger gun clip which gunsmiths will undoubtedly make available to them?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, that may or may not be the case, but I am not sure that the ease with which people violate the law is necessarily a reason not to have particular laws. I hope the hon. member will give due consideration to the package which is deposited in the House on this issue when it is done.

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WOMEN'S CENTRES

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, my question is for the Deputy Prime Minister. Yesterday, the Supreme Court of Canada recognized that the law and our society have discriminated against battered women and that attitudes about violence against women must change.

At a time when the courts and our society are realizing the importance of pro-active measures to protect battered women, this government is cutting back on services to women.

Will the Deputy Prime Minister use the occasion of this landmark Supreme Court decision to restore full funding to the women's centres and the women's organizations that have been cut back in the last two budgets?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I join with my colleagues in applauding the Supreme Court decision in the *Lavallée* case. I think it will be a landmark in the recognition of battered women.

I am also pleased to say that my colleague, the Secretary of State, and myself have met with representatives of women's centres over the past six weeks. I have visited a number of centres and have taken back those concerns to my cabinet colleagues.

Recognizing the important role that those centres play in assisting women to access federal programs, I and my colleague, the Secretary of State, will be announcing today that transitional funding will be provided for the coming year for the 74 women's centres affected. Where provincial governments are prepared to enter into agreements, we will extend that funding for a second year.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I am surprised and I am pleased that the government has recognized, finally, the importance of women's centres.

I did not hear the Minister responsible for the Status of Women indicate that core funding was going to be reinstituted. I did not hear the minister say anything about the organizations that have been cut back. The magazine *Women's Health Sharing* lost all its funding and other organizations lost all their funding.

Is the Minister responsible for the Status of Women indicating that all of the funding that has been cut back for the last two budgets has been reinstituted? Is that core funding, or is it project funding?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I am pleased to advise my colleague that the funding that will be provided for the women's centres, based on last year's rate, will provide operational funding. It will not come from the Women's Program, but instead will be found out of other existing bases of government departments.

Ms. Dawn Black (New Westminster—Burnaby): I would like to hear that this is new money and not coming from another area of Secretary of State where other people will be losing. I am sorry that the Minister responsible for the Status of Women has not been able to reinstate the funding for the past two years.

The Supreme Court has indicated what a serious problem this is. The government's own documents indicate what a severe problem this is. Will you please guarantee that you will follow the funding proposals submitted to you by the women's organizations and reinstitute full funding to address these dreadful problems in our society?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, perhaps I should not be surprised by the response of my colleague. I am sure that she would want to join me in congratulating my colleagues who have taken this issue so seriously.

Recognizing the important role that women's centres play in this country, and many of my colleagues from Newfoundland and Nova Scotia have been involved, we have agreed that we will provide that funding to the women's centres so they can continue.

We will enter into a process of reviewing the funding, along with our provincial colleagues and with representatives of women's centres to ensure that the services women's centres provide can be maintained on an ongoing basis.

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INDIAN AFFAIRS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is to the Minister of Indian Affairs and it concerns the Mohawk community of Akwesasne.

Now that a semblance of peace, at least, has been achieved at Akwesasne, some of the evacuees are proposing to return home. As a matter of fact, some of them have already returned.

Can the Minister tell this House if there will be financial assistance for the economy of Akwesasne, primarily, and also more urgently for the rebuilding of destroyed homes and other property as a result of the violence of recent days?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I should tell members of the House that my colleague, the Minister of State, and I visited the elected and traditional leadership of the Mohawk community of Akwesasne until late last night to discuss this kind of issue and related questions.

We, of course, are relying upon the combined leadership of the Mohawk community to provide a list of their requirements and to be fully involved in a process of developing a long-term solution which will bring peace, permanent peace, to this community, and to end and heal all of the wounds of the events of the last several days.

We will be prepared to continue the work of the task force which commenced working last December on developing forms of economic relief for the community. I have just this morning asked my officials to look at ways in which we might help on a short-term basis with some of the immediate material requirements of the community, such as those which the member has listed.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I thank the minister for that response.

[*Translation*]

I would like to ask him a supplementary and possibly put a supplementary to the Minister of National Health and Welfare as well.

Although the violence seems to have calmed down in Akwesasne, at least for the time being, the emotional wounds and scars will take a long time to heal. Considering the violence which has divided families and caused fear and all kinds of problems, is the minister prepared to help provide counselling for the families who will have to cope with the situation in the days and weeks to come?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): The member raises a very important question which was also discussed last evening. In visiting and meeting many of the residents who have seen families divided, it is obvious that there is going to be a need for social and emotional counselling. We talked about conflict resolution. On request from the community the Government of Canada will assist with some process of conflict resolution, presuming that request comes from the representative leadership of the community. We look forward to being helpful in that way.

• (1130)

It is important, at the same time, to get to the root cause of the difficulty. It is not merely a matter of promising some large economic package. We would all want to see some viable new economic options for the people of Akwesasne, but we also must remove the pressures which have led to the creation of a problem relating to particular types of activities which have not been good for the community.

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HEALTH

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my question is for the Minister of National Health and Welfare but in his absence I will direct it to the Deputy Prime Minister.

Canadians are growing concerned about food safety. Dr. Ian Munro from the Canadian Centre for Toxicology, a world renowned authority on the subject of food safety, is continually attempting to clarify the facts, such as the fact that synthetic pesticides and food additives are known to account for only one-half of 1 per cent of cancer risk as compared to 40 per cent caused by food preparation and 44 per cent by natural carcinogens.

What is the government doing to deliver the true story on food safety to Canadians?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I appreciate the hon. member's concern about this matter. He has expressed this concern before in the House and in committee. It is important to establish a balance between the very natural concern for food safety and the need to use pesticides and other chemicals in the production process.

To that end, the Departments of National Health and Welfare and Agriculture have been meeting on an ongoing basis with the retail associations and with food producer groups. As well, we have established the pesticide review process which is reviewing the registration process for all chemicals that are used for the production of food in Canada.

Recognizing the seriousness of this, I think it is fair to say that the government is taking the necessary action and I appreciate the hon. member's support and co-operation in that regard.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my supplementary question is for the same minister. As I said, Canadians are expressing concern about their food safety and the regulations that are in place to ensure that safety. What is known as organic farming and organic foods are becoming very popular.

What steps are being taken to regulate such food production and products in order to guarantee that Canadians will see full disclosure of the production standards being used? If it is coming, when can we expect legislation to govern such growing practices?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am not sure whether it would require legislation, although some regulations may be required. The fact of the matter is that we are actively engaged in examining this particular issue.

I can say as well that we are attempting to dispel the myth that is perpetrated in some quarters that food produced using chemicals that are safe is unfit for human consumption. There is a position taken in some quarters that only organic food is safe.

I want to assure consumers and the hon. member that food that is produced with the proper allocation of pesticides and chemicals that are determined to be safe for use by Health and Welfare Canada is certainly safe for consumption. Canada has perhaps the best food safety standards of any country in the world.

We co-operate very closely with our trading partners and, as a matter of fact, as the hon. member knows, this is part and parcel of the ongoing trade negotiations which are registering some very significant progress in terms of co-operation and collaboration in the whole area of food safety on an international basis.

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THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is also for the Deputy Prime Minister. As he is aware, on Wednesday in Washington, D.C., at the initiation of the United States Senate, parliamentary delegations from 42 countries gathered to find solutions to the increasingly severe global ecological crisis. Consensus was achieved on seven issues contained in the final legislative strategy.

Since Canada agreed at the Toronto Conference two years ago that global climate change is serious and adopted a target there, and since no serious legislative or policy action has been taken to reduce greenhouse gas emissions in Canada, will the Deputy Prime Minister commit the government today to, at minimum, the 50 per cent greenhouse gas reductions adopted this week by legislators from across the globe at the meeting in Washington?

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, as the hon. member well knows, the Minister of the Environment, both at the White House meeting in Washington a week ago and upon his return to Ottawa, has said on more than one occasion that we as a country cannot afford to wait until all the studies are completed. We are committed to action. We will ensure that there will be specific targets and schedules for those targets in place as soon as the consultations respecting the Green Plan are completed this fall.

I would also remind the hon. member that this government has already done several things with respect to reducing greenhouse gas emissions. We have agreed, Mr. Speaker, as you know, to phase out controlled CFCs by 1999. We put in place fuel efficiency guidelines. We have agreed to reduce automobile emissions of carbon dioxide by 20 per cent per vehicle by 2005 and also to reduce nitrogen oxide by 30 per cent per vehicle by 1994.

I would suggest to you, Mr. Speaker, that as a result of the processes which are now taking place there will be targets, guidelines and schedules in place as of this fall. They will be targets and schedules to which Canadians will be committed. We, in co-operation with business, the private sector, environmental groups and the public at large, will have targets in place and will have a strategy to ensure that those targets, once in place, are met.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary question is for the Minister of Forestry. The member who just answered knows full well that that is not the message that was being delivered at the conference in Washington by people like Jacques Cousteau, Carl Sagan, Robert Watson, Steven Schneider and others. The globe is about to become toast and 42 countries, unanimously through consensus, called for action now.

The 42 nations representing all the continents in the world adopted a policy to reduce levels of deforestation by 50 per cent now in all nations across the world and to actively move to a level of aforestation, or the planting of forests, to a level of 30 million acres per year by the end of the decade. Will the Minister of Forestry this day, prior to National Forest Week, commit Canada to play its full role in this endeavour, pursuant to those two

policies adopted by 42 nations in Washington earlier this week?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I can indeed make a commitment to the House today that Canada will play its full role, not only in improving the custodial practices in our own country to make sure that future generations of Canadians will have their needs satisfied from out forest resource but also in recognizing the fact that our forests are, of course, directly linked with the planetary ecological systems.

Canada will plant 1.2 billion seedlings this year. We will begin the process this year of aforestation rather than deforestation. There will be no addition to any NSR lands.

Conferences such as the hon. member has just attended are very useful in drawing attention to the crisis and the imperatives that we are facing. This is important because every individual in our country and throughout the world has to understand that our cumulative activities as individuals have very, very serious dilatory effects. It is not always right to identify one industry or one activity as being the main culprit. Every citizen has to be involved in the initiatives that have to be taken to save our planet.

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CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, in the absence of the Minister of Supply and Services I will direct this question to the Deputy Prime Minister.

• (1140)

In June of last year the Department of Supply and Services and CIDA issued a request for a proposal for six lateral trenchers and four collector trenchers for a CIDA-funded project in the delta of the Nile River in Egypt.

Supply and Services and CIDA stipulated that Canadian content premium would apply. A Canadian manufacturing company, Wolfe Equipment Limited of Melbourne, Ontario, tendered and, in fact, was the only tenderer. This company's reputation is above reproach and their equipment is the best in the world. It is world-class.

Why were new tenders called in February, 1990, for this multimillion dollar contract? Why were the rules changed to allow foreign manufacturers to bid on a project funded with Canadian taxpayers' money?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, in the absence of the responsible minister, I will have to take that question as notice. I assure the hon. member that we will get back to him as soon as we possibly can.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I thank the Deputy Prime Minister for his response.

On the current tender call we may have three bids, one Canadian and two foreign, one of which is not designed for drainage work and does not have the quality or the ability to obtain a licence for drainage work in Ontario.

Will the minister tell us that Canadian content is still a priority on this equipment? This will result in a loss of many Canadian jobs. Will the minister do the honest and patriotic thing and stop pandering to foreign interests on Canadian funded projects?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, without checking all the facts it is very difficult to respond to that question in detail. I certainly in no way want to accept the premise and some of the allegations which are implicit in the hon. member's question. Again, I will undertake to provide a full response at the earliest possible opportunity.

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THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, my question is related to global warming and the key role of energy policies, therefore it is addressed to the Minister of Energy.

Last year, the DPA group in Toronto produced a study which concluded that if the government were to invest $74 billion in energy efficiency, it would get a return on the investment of some $150 billion to the Canadian economy. Furthermore, there would be a significant reduction in carbon dioxide pollution, increased energy efficiency and increased competitiveness on the world markets.

Why has the Minister of Energy rejected such a report?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Yes, Mr. Speaker, I have rejected that report, and I will give the member the reasons why.

The DPA study was commissioned by the task force that energy ministers established after the 1988 Toronto Conference. I asked for an analysis of every one of the measures that the DPA study said should be taken in order to meet those kinds of goals. It has become public that, for example, they recommended that no more cars be allowed in any city with a population of 250,000 and that no more thermal plants be built. They also recommended that there be heat pumps in every home and dramatic increases in the prices of energy.

That study was rejected by the task force. We then studied the DPA study to see what kind of benefits we could get from it, even if we accepted everything within the DPA study. It fell well short of the 20 per cent target of Toronto and it fell well short, as well, of some of the technical possibilities that they thought could exist.

As I announced earlier, the government will be moving more into energy efficiency conservation as part of the green plan which has been announced for later this year. That is a practical way of going.

But the DPA study was rejected both by the task force and the ministers of energy because, quite bluntly, it did not come up to the numbers that they had put forward.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, from the minister's answer I wonder whether the minister can assure this House that he has the mental capacity to understand the return of $150 billion for an investment of $74 billion.

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member has distinguished himself before by his inane comments, and I guess this was just another one.

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WOMEN'S PROGRAMS

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, my question is for the Minister responsible for the Status of Women. Earlier today in question period she said that funding had been reinstated to women's centres.

At least 10 women's centres in B.C. have had to close their doors and other women's centres have had a terrible time during this last period of indecision by the government. Will this funding be retroactive to April 1 when the funding was cut?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I can assure my colleague that this funding is in place for the current fiscal year. Women's centres, I would hope, in those circumstances will now be able to proceed to reopen and continue to provide their services.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, I appreciate getting that information from the minister.

A number of women across Canada were charged when they were protesting this government action of cutbacks. Will the government commit to withdrawing those charges against those women?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I understand that the federal government, of course, cannot interfere with the course of justice and it would not be within our power or appropriate, of course, to intervene in that particular situation.

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REGIONAL DEVELOPMENT

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the minister responsible for ACOA. Last September I released a study which chronicled higher levels of unemployment, lower family incomes and significantly less economic opportunity for residents of the black communities in the Preston and Cherrybrook areas of Nova Scotia. Since that time I have made representations to the minister seeking his assistance to use the resources of ACOA to assist in reversing this very serious problem.

Can the minister inform us whether or not he and his department are pursuing this issue and if he believes that there is some reason for optimism in this particular community?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I appreciate the question and I appreciate my colleague's sincere interest in this problem. We have had discussions about it before. As recently as yesterday I met with the President of ACOA, Mr. Peter Lesaux, and we attempted to focus on the special needs of this community.

My colleague knows it is rather difficult to have a truly affirmative action program within the context of well-defined rules for assistance. But I believe that with some care, and perhaps some co-operation from other colleagues in Employment and Immigration and FBDB, perhaps we can devise something that will focus on the special needs of this community.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I truly appreciated that response.

My supplementary question is for the Minister of State for Employment and it concerns the same issue. The same study indicated that unemployment among blacks in the Preston area was over 28 per cent and that on average a young black male could expect to earn in the vicinity of 42 per cent less than a non-black in the same area.

Can the minister indicate what steps her department is taking to respond to the social and human injustice, not just in economic terms but in terms of attempting to break down the barriers of race which, I think he would agree, have for much too long kept the black community from being full economic partners in our society?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, our government has always shown its concern for workers who have to cope with such difficult circumstances. That is why we have announced and put in place certain measures to help these communities.

We considered both a short term and a long-term plan, and we found that the easiest way to help these workers would be within the framework of our Canadian Jobs Strategy. I am thinking of the Community Futures Program and our training program, and my colleague and I are both working very hard to find the right solutions for the short term, and at the same time develop a durable plan so that these workers can find the ideal solution: a job.

I would like to take this opportunity to urge my colleagues opposite who are so concerned about the unemployment rate in these regions to talk to their colleagues in the other place, so that Bill C-21, which is part of the strategy that allows for regional and sub-regional differences, can be passed as soon as possible.

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[*English*]

EMPLOYMENT

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is to the Minister responsible for small business or the minister acting in that role today. It concerns TIEM, the so-called Canadian job creation company.

• (1150)

Has the government ordered an investigation of this particular so-called job creation company? Its own evaluation indicated that over a period of three years in five Canadian cities it only produced 31 full-time jobs at an approximate cost in loans and grants of $15 million. Is this investigation going on now?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, it is my understanding that such an investigation is going on at the present time.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my supplementary is directed to the same minister. Why didn't the government react sooner? Besides the fact that only 31 jobs were created over a period of three years, in five centres, at a cost of about $15 million, local people had already said there was a problem almost a year ago. My colleague from Notre-Dame-de-Grâce mentioned this as well. I identified this as a problem on December 15, January 4 and March 5. Why didn't the government react earlier?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, my understanding is that there has been an investigation going on for some time and I think we should be careful about what we say at the moment. Let us let that investigation go on and have the results before we make any charges or semi-charges about individuals or organizations.

HOUSING

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my question is for the Minister of Housing. The minister will be aware that the high interest rate policy of this government has taken a crisis in housing and turned it into an utter disaster. Home sales are down dramatically, construction in all areas including residential construction in the first quarter is off, and now applications for building permits, which show what is going to happen in the next six months, are dramatically down.

Will the minister indicate to this House whether he has brought to the attention of the Minister of Finance and Mr. Crow the devastating effect of high interest rates? Has he requested them to abandon their high interest rate policy now and reduce interest rates?

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, as the hon. member is well aware, until very recently all indicators showed that building starts for new homes in this country were increasing quite dramatically. As a matter of fact, current figures show that building starts in the country will be in excess of 200,000 this year, dramatically up from what they were a few years ago.

It is quite true that there appears to be a slowing down in both new home construction and sales of real estate at the moment. We seem to be at a stage where some changes of that sort are taking place in the economy. I can assure you that I, the government and the Minister of Finance are watching the situation very carefully.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, the minister reluctantly admits that there are indications of a slowdown. The indications are that the housing industry is coming to a grinding halt, and it is mainly because of the high interest rate policy.

Has the minister or his government got programs in place that will help home owners offset the increased payments that they will have to make because of a continued high interest rate policy?

Hon. Alan Redway (Minister of State (Housing)): Mr. Speaker, as the hon. member will know, housing prices in very overheated markets such as Toronto and Vancouver, and more recently in the Calgary and Edmonton area, were causing very considerable problems. Although there has been a slowdown in sales there has also been a slowdown in escalation of housing prices. I think that is a benefit.

I am sure the hon. member is aware, and I know that all Canadians are aware, that the government has now and has had for some time a mortgage rate protection program whereby Canadians can in fact protect themselves against high interest rates by purchasing insurance against that through Canada Mortgage and Housing Corporation under the National Housing Act. The program will pay three-quarters of any increase in monthly payments resulting from a rise of more than 2 percentage points in mortgage interest rates. I hope that all Canadians will take advantage of that.

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AUTO INDUSTRY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Deputy Prime Minister. In view of the fact that the auto industry in Canada provides 20 per cent of all Canadian manufacturing and more than 150,000 direct jobs, why is the government not taking more seriously the sizeable drop in sales in April of 34 per cent by the big three automotive manufacturers? After all, April is supposed to be the start of the peak selling season for cars in this country.

Why will the government not listen to people like Jack Clissold, vice-president of sales at Ford who said that the drop in sales again illustrates how "rising interest rates tend to put the brakes on car and truck sales." Why does this government want to put the brakes on car and truck sales in this country?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, the same individual whom the hon. member quoted said the following:

> We know there remains inherently strong demand for new vehicles. With new financing assistance plans—we believe we can offset the interest rate obstacle.

The hon. member did not quote him quite fully.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, why does this government want to force the industry to take steps which could cause difficulties for it, in view of the fact that the industry itself says that this government's high interest rate policy is an obstacle? Why does this government insist on creating an obstacle for the key manufacturing industry in this country? This

government is not supposed to be creating obstacles, it is supposed to be providing a basis for growth and jobs. It is doing the opposite.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, I find that interesting because when I take a look at the statistics today I see that domestic sales are down and foreign sales are up. That is because our auto dealers in this country are placed at an unfair competitive position because of the federal sales tax. We are removing the federal sales tax. We are bringing in a GST which will lower domestic car prices by as much as $800 on a $20,000 unit. We are working for that industry. Why do you not get behind the GST?

Some Hon. Members: Hear, hear!

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, if the hon. minister thinks that the manufacturer's sales tax is so bad for the car industry in this country, why did his government raise it more than four times since it has been in office? The government's words are one thing, its actions are another. Its action has been to raise this tax. Why did it do that?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, that tax was raised because the government needed the revenue to pay the interest on the debt that the Liberals left us. That is why it was raised. That is exactly why it was raised. And also to pay the bills for health care, to pay the bills for post-secondary education and to pay for the social safety nets that we have in this country. There are a myriad of reasons why it was raised.

* * *

AGRICULTURE

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a question for the Minister of Agriculture. I would like to follow up on the question which I raised yesterday about meat imports into this country which were found to be defective despite the fact that they were approved by the United States Department of Agriculture.

Could the minister now confirm that the tests which have been carried out on these products show high levels of staphylococcus bacteria which are involved in the spoilage of this meat?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I can advise the hon. member that the test results on the product indicated that no bacteria harmful to humans were present.

• (1200)

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the minister has avoided the question. The question was: were staphylococcus bacteria found in this meat which led to spoilage of the product? That is the report which I have received directly from the Department of Agriculture labs which did the testing.

I would suggest to the minister it is best to respond positively to that and to suggest to this House what is going to be done by this government to take into account incidents like this in trying to sort out the future of our relationship with the United States on meat imports.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I thought I had responded positively. It is unfortunate that the hon. member does not like the answer that I gave him. I am informed, as I indicated yesterday with regard to the question, that the reason it was inspected was the fact that there was defective meat product packaging.

Yesterday I indicated that I did not have the results of the test. Today I am informed that the results of the products indicated that no bacteria harmful to humans were present. There was spoilage however, presumably because of the defective packages and the fact that they were exposed.

* * *

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Jim Fulton (Skeena): Mr. Speaker, my point of order is in relation to remarks made by the Minister of Energy, Mines and Resources during Question Period.

The analysis that has been done by his department in relation to the DPA report is extremely important. The report points out that for a $74 billion investment there is $150 billion in net benefits to Canadians. Even if the figures were out by 50 per cent there is still $75 billion net—

Mr. Speaker: I am having trouble finding the point of order.

Mr. Fulton: My point of order to the minister of energy is due to the importance of the report he referred to. Will he table it so that all members of this House and the Canadian public can have a look at it?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I find the point that the hon. member makes interesting because the study was analysed by the task force. The task force report to the energy minister was in Kananaskis on April 2 and we made that public.

Mr. Speaker: Perhaps the hon. member would let the Chair look carefully at exactly what the exchange was. If it was a document that was read or referred to in any kind of detail, it may well have to be tabled. I will go back and check it. I am not entirely sure if the minister did read from it, although he did mention it. I will look at it.

* * *

BUSINESS OF THE HOUSE

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I think if you test the House you will find there is an understanding among the parties that once the House has dispensed with Bill C-59, Bill C-60 and Bill C-61 this afternoon, there will be no other business called. I wonder if the government House leader or his parliamentary assistant would confirm that.

Mr. Andre: Mr. Speaker, I would be pleased to confirm that. If that were to occur, we would be prepared to adjourn the House at that point in time without any further business being called.

Mr. Speaker: Agreed and so ordered.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons) Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 98 petitions.

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

POST-SECONDARY EDUCATION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, as you know, this is Education Week. I would like to table several petitions signed by students of Ottawa University and other area residents of the riding of Ottawa—Vanier concerning the quality and accessibility of our universities, colleges and post-secondary education.

These petitions were gathered by the Canadian Federation of Students and support the contention that over-crowded classrooms, obsolete laboratory equipment, poor library resources, high student-professor ratios, elimination of programs of study, deteriorating buildings and physical plants are now a fact of Canadian higher education.

The petition is quite lengthy, but I think it makes a good case for a joint effort of all levels of government, especially the provincial and federal governments, to commit to arrange a federal-provincial conference of the highest political representatives to establish obligation to the two levels of government in the financing of Canadian post-secondary education and to ensure an end to the shameful neglect of higher education in Canada.

RIGHT TO LIFE

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have the honour to present a petition on behalf of my constituents with respect to their deep felt concerns on abortion.

The petitioners would like human life to be protected from conception to natural death.

GOODS AND SERVICES TAX

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I rise pursuant to Standing Order 36. I have received hundreds of signatures on petitions from my riding with respect to the Conservative federal government's imposition of the goods and services tax on many health care services, such as occupational therapy, physiotherapy, social services, speech language pathology and audiology which are performed outside of public institutions.

The undersigned call upon Parliament not to impose the goods and services tax on any health care services whether delivered in public institutions or in the community.

I hope this will be taken under consideration, Mr. Speaker.

POST-SECONDARY EDUCATION

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I have the honour to present a petition signed by students from Alberta, British Columbia, New Brunswick and Saskatchewan.

The petitioners call upon the government to respond to over-crowded classrooms, problems of poor library resources, increasingly high student-professor ratios, the elimination of programs at universities, the deterioration of buildings and physical plants at universities and other institutions of higher education across Canada, and call upon the government to commit itself to arrange a federal-provincial conference of the highest political representatives to establish obligations of the two levels of government to adequately finance Canadian post-secondary education and to ensure an end to the shameful neglect of higher education in Canada.

GOODS AND SERVICES TAX

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I have a petition signed by over 6,000 people residing in Saskatoon—Clark's Crossing, which represents almost 20 per cent of the people who voted in the last election. The petitioners criticize the government's goods and services tax and call upon the government to make sure it is rejected as, of course, 80 per cent of Canadians would ask.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I am happy to table some petitions pursuant to Standing Order 36. There are not a great number of names, only 55 to be exact. They are particularly noteworthy because just about every person on Hocking, Raymond, Farwell, Terrace and Connaught Avenues in Sault Ste. Marie, and rather than 80 per cent of the population being against the GST, I think 100 per cent of the people on those four streets are against the GST and they encourage the government to listen to the people of Canada.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 245 and 257.

[*Text*]

FUNDING TO ASSOCIATION OF FRENCH CADRE PARENTS AND THE FEDERATION OF FRANCO COLUMBIANS

Question No. 245—**Mr. Wilbee:**

1. Is government funding being made available to the Association of French Cadre Parents and the Federation of Franco-Columbians or to parents involved in legal action against the Minister of Education of British Columbia, the Vancouver School Board and the Delta School Board, to assist in a request for a francophone school facility with management of program and facility to be held by francophone parents?

2. Has there, in the past, been any funding provided to the Association of French Cadre Parents and the Federation of Franco-Columbians, through any government department or agency?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): I am informed by the Secretary of State of Canada and the Department of Employment and Immigration as follows:

1. The Court Challenges Program which is administered by an independent organization, the Canadian Council on Social Development, has approved an amount of $75,000 for litigation, at the first level of court, involving the Association of French Cadre Parents and the Federation of Franco Columbians.

2. Funding has been provided to the Association of French Cadre Parents and the Federation of Franco Columbians under the Official Languages Promotion Program of the Secretary of State:

Association of French Cadre Parents	
1987-88	$ 75,930
1988-89	$156,700
1989-90	$187,405
Federation of Franco Colombians	
1987-88	$531,035
1988-89	$645,475
1989-90	$571,120

The Department of Employment and Immigration has no record of funding any projects for the Association of French Cadre Parents.

It has, however, provided funding to the Federation of Franco-Columbians under the Canadian Jobs Strategy as follows:

	Program	Contribution
1987–88	Job Development	$16,851
1988–89	Section 25	$8,136 – U.I. funds $3,408 – CRF*
1989–90	Challenge '89	$8,689

* Consolidated Revenue Funds

FOREIGN AND CANADIAN CONTROL OF MINES EXTRACTING INDUSTRIAL METALS IN CANADA

Question No. 257—**Mr. Rodriguez:**

Is the government aware of the percentage of (a) foreign ownership (b) Canadian ownership of mines extracting industrial metals (other than gold) in Canada, from 1975 to 1987 and, if so, what is it?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources reports as follows:

(a) & (b) The requested information is not readily available. However, Statistics Canada has provided the following data:

	FOREIGN CONTROL	CANADIAN CONTROL
	Industrial Metals (other than gold)	
YEAR		
1975	44.9 %	55.1 %
1976	45.4 %	54.6 %
1977	47.0 %	53.0 %
1978	44.4 %	55.6 %
1979	45.2 %	54.8 %
1980	41.5 %	58.5 %
1981	39.0 %	61.0 %
1982	35.3 %	64.7 %
1983	33.7 %	66.3 %
1984	34.7 %	65.3 %
1985	31.4 %	68.6 %
1986	32.4 %	67.6 %

The data show a continuing decrease in foreign control for industrial metals during the period 1975 to 1986; the level of foreign participation dropped by 28 per cent. The concomitant increase in Canadian control is particularly evident between 1979 and 1985 as the degree of Canadian participation increased by 25 per cent.

In determining the level of foreign/Canadian participation in a sector, Statistics Canada does not measure ownership per se, but instead measures *control*. This is done by identifying the country of residence of the shareholder(s) exercising effective control over each company included in the sample. Companies are included in the sample if their annual revenues exceed $15 million. In measuring control levels within a sector, individual companies are weighed according to their annual revenues. For more details on methodology, please refer to Statistics Canada's Annual Report pursuant to the Corporations and Labour Unions Returns Act, Part I—Corporations.

[*English*]

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

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

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

Some Hon. Members: Agreed.

* * *

BUSINESS OF THE HOUSE

Mr. Cooper: Mr. Speaker, as you are aware, because of one of the anomalies in our rules that we have not yet corrected, we have problems on Mondays if we do not

have the regularly scheduled business for Private Members' Business.

I have not had a chance to consult with my other colleagues on this motion, but I think there may be unanimous consent for it. Therefore, I move:

That, notwithstanding any Standing Order, on Monday, May 7, 1990, the House meet at 1 o'clock p.m. and proceed to the consideration of Government Orders from 1 o'clock p.m. to 2 o'clock p.m.

• (1210)

Mr. Gauthier: Mr. Speaker, I regret to tell the parliamentary secretary that I cannot concur in that proposal. I think we have to come to grips with the solution to the problem which is to have this House pass that motion. It is on the Order Paper, giving private members of this House a chance to get their motions and bills before the House. I regret to give notice that until I have satisfactory knowledge that the motion will be adopted, I am going to have to resist giving the government extra time.

In the interests of getting movement on the motion to settle this problem of the draw that gives all of us a chance to have motions and private bills before the House, I cannot concur in this proposal.

Mr. Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, for slightly different reasons I am not prepared to concur either.

The Acting Speaker (Mr. Paproski): I do not believe there is unanimous consent.

Mr. Cooper: Mr. Speaker, it is obvious we do not have unanimous consent. I think I have no choice but to put the other motion which is that the House would then meet at two o'clock. I move:

That notwithstanding any Standing Order on Monday, May 7, 1990, the House meet at 2 o'clock p.m. for Statements by Members, followed by Oral Questions and the remaining order of business as provided for Mondays.

Mr. Speaker, of course the point of that is that we simply do not meet at one o'clock and have to suspend and come back at two o'clock. This just makes provision to come back at two.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some Hon. Members: Agreed.

The Acting Speaker (Mr. Paproski): So ordered.

GOVERNMENT ORDERS

[*English*]

BRITISH COLUMBIA COURTS AMENDMENT ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-59, an act to amend various acts to give effect to the reconstitution of the courts in British Columbia, be read the third time and passed.

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

Some Hon. Members: Question.

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

Some Hon. Members: Agreed.

Motion agreed to.

* * *

ONTARIO COURTS AMENDMENT ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-60, an act to amend various acts to give effect to the reconstitution of the courts in Ontario and to provide for other related matters, as reported (with an amendment) from a legislative committee.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that the bill be concurred in.

Motion agreed to.

Ms. Campbell (Vancouver Centre) moved that the bill be read the third time and passed.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, Bill C-60 is similar in concept to Bill C-59 which governed the B.C. courts. I did not speak on behalf of my party in connection with Bill C-59 and deferred my remarks to Bill C-60.

Although it is technical in nature, this federal statute governing the Ontario courts like the B.C. courts permits unification of the courts at the Supreme Court level in the province and at the District Court level. In our view, it is fair to say that these courts are now finally

entering the 20th century—just in time; we have another 10 years to go.

Previously our provincial courts were divided into separate jurisdictions, usually based on monetary jurisdiction, with disputes involving larger dollar amounts being decided by the Superior Court and with lower dollar amounts being decided by the County or District Courts. It is a little bit like being a referee in the NHL and being a referee in the AHL. You are dealing with the same rules of the hockey game, but you have a slightly different environment and different players. I recall, as a lawyer, having to gown for one court but not for another. It was a little artificial.

The concept was based on life as it was in the last century. It has become counterproductive and inefficient. We have two sets of courts, two sets of judges, two sets of staff and two sets of courtrooms. With a united court in our provinces, we will be better able to manage and maximize the resources that we have in the court system on behalf of the taxpayers.

Although it is very easy for us at the federal level to pass this statute, we could not fail to acknowledge the work of many judges, court administrators and lawyers in the court systems in Ontario and in British Columbia in bringing these reforms into being. This will definitely benefit the taxpayer and improve the administration of justice. My party supports this bill.

Ms. Campbell (Vancouver Centre): Mr. Speaker, with respect to Bills C-59 and C-60, I would like to express my appreciation to the government, to members of the legislative committee and to witnesses who have done such an excellent job. I would like also to thank the opposition parties for their co-operation in assisting the passage of this legislation.

Motion agreed to, bill read the third time and passed.

* * *

DIVORCE ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-61, an act to amend the Divorce Act (barriers to religious remarriage), as reported (with amendments) from a legislative committee.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that the bill be concurred in.

Motion agreed to.

Ms. Campbell (Vancouver Centre) moved that the bill be read the third time and passed.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I am particularly delighted to speak to the third reading of this bill. I hope it has quick passage through this House.

I would like to look at the process, something that is extremely exciting and dynamic. It comes at a particularly important time in the history of this House. If one looks at it in terms of time, this is Volunteer Week, or just a couple of days after.

This kind of bill demonstrates in the most forceful, practical and important ways the role that volunteers play in society. When there is a group of like-minded people—in this instance, women—who have a serious concern about what an inequality or a gender biased situation within the laws of Canada, it prevents the forward movement of women to make enlightened choices and then to move forward with their lives.

I recall that in 1984-85 and early in 1986—I see a nod from a brand new colleague from across the floor, along with my colleagues from York Centre and Burnaby. In particular, I remember the member for Saint John—that we sat and pondered what to do about this new dilemma, the Jewish get, as we were in the process of amending the divorce bill. It required a new look, and certainly an update. I was particularly appreciative of the sensitivity shown by the Minister of Justice of the day, followed by the new Minister of Justice of the day at that time, who is now the Governor General of this country, and followed by the third Minister of Justice of the day, who is now the Minister of Transport, and now we have our first woman in this very important role. You can see how key it was from 1985-86 to today, to have understanding on the part of all members of the House, as they looked at the application of fairness, justice and equality, under the law.

• (1220)

As a member of the small task force, section 15, on equality for all, I can remember even looking at it as far back as that time, in the history of my place in this House. The measure means a very great deal to me as a

Jewish woman, to the Jewish community and, in particular to those who have had to have a sense of discomfort, discrimination and bias, and also that very unpleasant sense that you are placed in a position of extortion in order to receive what is your due and what is your right under Canadian law. That is the key, it is under Canadian law. We are facilitating a divorce procedure which, in the Jewish traditional law, can only be undertaken as an act between the man and woman themselves in the presence of a rabbinical court of three members.

In a sense this traditional Jewish law, this Halachahic law, allowed for goodwill and the exchange of a document between a man and a woman, a man offers and the woman accepts this document. Where there was malicious intent or wilful desire to make life very difficult and to use this as a means of getting ends other than the right to proceed with one's life either as a man or a woman, more often than not it was a woman, this instrument or document was used in a manner that was not foreseen and there was no rabbinical court to which this could be taken.

I would like to say that in the interest of these women who got together, and in the interest of Volunteer Week, they forced an enlightened view to bring about the passage of a bill eliminating the unfairness which sometimes prevents Jewish persons from remarrying within their faith. We now have, thanks to the coalition of Jewish women for the get, Norma Joseph who was their driving force and John Surtash who was legal counsel, the first steps in the province of Ontario. I would like to bring to the attention of the minister, although she may may be well aware of it, that passage of this bill which is a landmark act internationally, never mind nationally, will certainly be used effectively by the women volunteers and the rabbis. In the province of Quebec rabbis found some very creative ways to enable this Jewish get or Jewish divorce, the rabbinical kind of approach which was outside of the civil process, to take place. They will use this bill to enable other governments in other countries to bring about justice for women in our society. In that light, as well, I want to express the very deepest appreciation of all of us, and particularly Jewish women, at this time.

On behalf of the Liberal Party, I take great pleasure in supporting this bill at third reading. I want to make very sure that the minister understands that her help ensures the integrity of this act which prevents in any way a bargaining tool based on a monetary support problem, a pension rights problem or a child access or child custody case because it is much more important that the best interests of the child be served. The minister and her parliamentary secretary may well remember how hard we tried to look at the mandatory conditions for access to and support for children who are the main concerns in a divorce issue of this kind.

I appreciate that we have now a tool whereby no one would be able to to use the get in order to obtain concessions in a civil divorce proceeding in this land.

The Acting Speaker (Mr. Paproski): Is the House ready for the question? The hon. member for Burnaby—Kingsway.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I will be very brief because certainly we in the New Democratic Party have strongly supported this legislation and, indeed, have urged the government to move expeditiously for its passage.

I just wanted to join on this important occasion of third reading of the bill in commending all of those groups across this land who have worked so very hard with such tremendous dedication and energy to right an historical wrong. I am not going to name all of the groups because inevitably some would be left out, but I do want to take this opportunity to pay tribute particularly to those women who have been responsible for pushing to the point where now this bill will be a reality.

Too many women have in particular suffered the pain and injustice of the current provisions in this area. I would hope that this legislation could serve as a model to provinces which have not yet moved in this important area. I know that some have, but there are others which have not yet taken this step. I would hope that they would move forward in this important area.

Finally, I want to urge the government to proclaim this legislation in the very near future. I had some concern because in questioning government representatives it was suggested that there would be a series of prolonged consultations with provincial jurisdictions. I hope the minister in responding to this might make it very clear that she intends to proclaim this legislation in the very near future.

Injustice has been done and every day that this legislation is delayed, further injustice will continue to be done. I commend those involved.

On behalf of the New Democratic Party, we welcome this legislation and we urge the minister to proclaim it as quickly as possible.

Hon. Bob Kaplan (York Centre): Mr. Speaker, my colleague, the member for Mount Royal who has been intimately involved with this bill and all of its stages, has spoken for the Liberal Party for the Opposition.

I am very happy to have the opportunity to come to the House from the Meech Lake committee which has adjourned for lunch and put on the record my own satisfaction about the achievement of this very important piece of legislation.

It was the present Minister of Transport who finally decided for the government that this was a worthwhile measure, a measure which advances Canada's sympathetic understanding of the pluralistic nature of our society, showing a willingness to accommodate, within the laws of Canada, the legitimate interests of multicultural groups.

I hope that this law will not only be of value, as I know it will, to the community concerned, but that it will be the model for ways in which Parliament can respond across Canadian society to various groups when it is possible to do so; to assist them not in the establishment, as there is in some countries, of systems of laws that apply to minorities that live separately within the country but to the kind of pluralistic, proud and integrated society which we are in which this type of legislation permits the accommodation of the particular interests of one minority group.

I have had the pleasure and honour of being supported in all of this, as have other members, by a great many individuals and organizations across the country who have been committed to this cause and who have seen it come forward.

I think it is important to pay tribute on a particular historic day, for the reason I will mention in a moment, to the Attorney General of the province of Ontario, Ian Scott, whose legislature was the first to provide a legislative framework for recognizing the situation of the get, the problem of the traditional Jewish divorce against the Canadian laws and provincial laws that relate to divorce, family law, and child custody. That was the first province to accommodate this problem. As it happens, the Attorney General is in Ottawa today, along with the Premier of Ontario, to testify on the Meech Lake Accord. We are very happy, on a day that they are here, to be able to see legislative follow-up to an initiative which began in their chamber.

• (1230)

In closing, I express again my deep satisfaction with the work of the now Minister of Transport and with the early commitment made by his successor, the present Minister of Justice, whom I thank as well and to her parliamentary secretary for his own efforts and support of the work of the committee. I would like to see the law proclaimed as soon as possible. No law has been better understood in advance than this one and I hope that we will soon see the good effects of it when following consideration of it by the Senate.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am very pleased to rise on the occasion of third reading of Bill C-61, an Act to amend the Divorce Act (barriers to religious remarriage), which I have the honour of tabling.

I would like to echo the comments that have been made about the fine work of my predecessor, the now Minister of Transport. I did have the pleasure of sitting on the cabinet committee to which this proposal came and was interested at that time to see the extent of the consultations which had taken place on the bill and more importantly, the extent of consensus, not only among Jewish leaders in Canada but among all religious leaders in Canada. This was a very important measure to bring forward.

I would like to say a few words for the record about the nature of the bill. The amendment to the Divorce Act, which is inherent in Bill C-61, would provide a court with discretionary power to preclude a spouse from obtaining relief or proceeding under the Divorce Act: first, where that spouse refuses to remove a barrier to religious remarriage; and second, where the power to remove the barrier to religious remarriage is within the control of that person.

The purpose of this bill is to assist Jewish citizens whose spouses are withholding a religious divorce, which is called a get, in order to obtain concessions in a civil divorce. The government did consult every other known religious group in Canada and satisfied itself that they would not be affected by this amendment.

[*Translation*]

During the past 15 years, the divorce rate in the Jewish community has reached the same level as in the rest of the population. Cases of abusing the get have increased at the same rate.

In 1987, the B'Nai Brith Association in Canada did a study of 311 cases that occurred during the four previous years.

According to the study, Jewish women were twice as likely to suffer negative repercussions, and those repercussions were worse than those to which men were exposed in the same situation.

[*English*]

A 1987 study conducted by B'nai B'rith Canada documented 311 cases within the previous four-year period. In the same study, as I said in French, women were found to be twice as likely to be the victims of discrimination and when victimized, they faced greater adverse consequences than men.

The consequences to women deprived of a get and loyal to their faith are severe. They may not remarry within their faith, even though civilly divorced. If they do remarry, children from a second civil marriage are considered illegitimate and restricted from practising their religion. Such consequences to a religious person leave them open to blackmail from the spouse withholding the get. For example, the spouse could say, "Give up your claim for support or custody of the children and I will offer the get." Even those not contemplating a second marriage find it uncomfortable to be considered married within their religion to someone they have divorced civilly.

The vast majority of adherents to the Jewish faith condemn as unfair this practice of bargaining with the get. Yet they are powerless to amend the situation. Persuasion by rabbis has often proved ineffective. Since the dispersion of the Jews there is no central Jewish authority to amend the Jewish legal code, the Halachahic, which governs the get. Nor is there any modern-day authority within rabbinical courts to enforce the offer and receipt of gets. Full support for Bill C-61 was expressed by major Jewish organizations who attended the hearings before the legislative committee. Representatives of the three Parties praised the bill and quickly passed two minor technical amendments.

The first amendment dealt with an inconsistency between the English and French versions.

The second amendment removed the word "exclusive" from the term "religious barriers within the exclusive control" of a person in order to more accurately reflect that the get procedure requires the co-operation of a three or five man rabbinical court.

Presidents of both major Jewish organizations, B'Nai Brith Canada and the Canadian Jewish Congress, spoke on behalf of the bill.

As well, the Toronto Board of Orthodox Rabbis and the Coalition of Women on the get endorsed the legislation and the two amendments.

All four organizations view Bill C-61 as an example of the government's commitment to multiculturalism.

[*Translation*]

Bill C-61 will enable Canada's Jewish community to preserve its traditions without destabilizing models of family life. It also ensures that the principles of the Divorce Act with respect to alimony and custody are applied equally to all Canadians.

[*English*]

Mr. Speaker, I would like to express appreciation to the other parties for their support and their desire to see the bill passed expeditiously. I believe there will be no delays to the proclamation of this bill.

This bill represents the finest traditions of Parliament in dealing with a sensitive situation in the very, very best interest of all Canadians. Since it is a Friday, I would like to say to all of those who will gain from the bill, *Shabbot Shalom*.

Mrs. Finestone: *Mazel Tov*, Madam Minister.

The Acting Speaker (Mr. Paproski): I hope that this will not be a precedent. The hon. minister should really speak on second reading or on the concurrence motion, because there is no place for a reply in regard to third reading.

I thought the minister rose on a point of order and an acknowledgement. I will allow the minister that this time, but it is not a precedent, please.

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

Some Hon. Members: Agreed.

Motion agreed to, bill read the third time and passed.

The Acting Speaker (Mr. Paproski): It being 12.37 the House stands adjourned until Monday next at two o'clock pursuant to order made earlier this day.

The House adjourned at 12.37 p.m.

HOUSE OF COMMONS

Monday, May 7, 1990

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

INTERNATIONAL UNION OF FORESTRY ORGANIZATIONS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to draw the attention of the House to an important international event that will take place this summer in Montreal, and I am referring to the 19th World Congress of the International Union of Forestry Organizations.

From August 5 to 11, scientists from 105 countries, representing nearly 700 affiliated organizations, will be meeting in Montreal. Since the 19th Congress will conclude IUFRO's first 100 years, this will be an opportunity for delegates to examine where forestry science is heading on the eve of IUFRO's next century.

The Congress will also be our chance to show others the abundance and variety of our forests as well as the technology that has made Canada one of the foremost countries in this field.

Canada is a full-fledged member of the world forestry community, and Canadians involved in forestry are very much aware of the need for international exchanges. The Canadian forestry industry, recognizing its responsibility for managing an invaluable resource, has therefore joined forces to organize this Congress.

Mr. Speaker, we extend a cordial welcome to all participants.

[*English*]

NATIONAL FOREST WEEK

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, May 6 to 12 marks this year's celebration of National Forest Week. The 1990 theme will be "Living Forest —Giving Forest ".

We are all becoming more conscious of the rich resources that we have at our disposal. At the present time approximately one million Canadian workers depend on the forest industry.

National Forest Week gives all Canadians a chance to reflect on how the forest touches our lives. Wouldn't it be great if in the next few months the Federal-provincial Resource Development Agreements were renewed. These agreements are essential to the viability of our forests if we are to achieve some of our environmental objectives as well as maintain forestry's economic contribution regionally and nationally.

[*Translation*]

All Canadians are environmentally conscious and want to help save the environment, including our forests. Forests have much to offer us, and it is therefore our duty to protect this resource.

* * *

[*English*]

WESTERN PREMIERS

Mr. Rod Murphy (Churchill): Mr. Speaker, the Prime Minister must know he is on a sinking ship when his political friends run for the lifeboats. When the four western premiers arrived in Portage la Prairie yesterday for their annual conference they made it very clear that they are together on at least one thing. None of them are very happy with the federal government these days.

Whatever the topic—the GST, farm aid, the cut in funding for health and post-secondary education, high interest rates or the failure to re-negotiate federal-

provincial agreements on tourism, forestry or northern developments—the message is the same. The Conservatives in Ottawa are putting the screws to the west, and the west will not take it much longer.

Never mind that three of the four premiers are Conservatives themselves and the fourth is a closet Tory. Never mind that they all supported the Conservative platform in the last election. The federal Conservatives are now at a record low in the polls and it seems that these days the four western premiers cannot backpeddle fast enough to get away from their federal counterparts.

All the same, Mr. Speaker, I caution the voters in western Canada to remember that provincial Conservatives are Conservatives too, no matter what they complain about with regard to federal Conservatives. They are all the same, they do the same, they act the same, they just speak with different mouths.

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[*Translation*]

CANADA MORTGAGE AND HOUSING CORPORATION

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, five years ago, the government proposed a plan for sound economic management and better management of government operations.

I rise in the House today to pay tribute to the work done by employees of the Canada Mortgage and Housing Corporation.

An hon. member: Hear, hear!

Mr. Pronovost: At a time of budgetary restrictions when sound and efficient management is needed, the Canada Mortgage and Housing Corporation has been able to meet the government's objectives.

Mr. Speaker, for the first time in ten years, the CMHC's mortgage insurance fund has succeeded in meeting its obligations without government assistance.

In 1989 alone, the CMHC deposited more than $62 million in the Treasury, in addition to providing Canadians with 627,000 housing units.

Mr. Speaker, in many respects the CMHC is indeed the efficient performer referred to by the Auditor General of Canada.

Some hon. members: Hear, hear.

[*English*]

FORESTRY

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, forestry employs 8 per cent of all Canadians and generates over $40 billion annually. Forestry is the lifeblood of many single industry towns in our country.

Despite these facts, this government neglects Canada's chief industry. The 15 per cent export tax on softwood lumber coupled with the strong Canadian dollar and high interest rates are crippling this industry in Canada and for small-town Canada. To date seven provincial forest agreements have been allowed to lapse.

• (1410)

But most important, the government fails to recognize that the key element to any environmental plan is our forests. In fact, its new framework for discussion on the environment devotes only one half page to the protection of forests in Canada.

As Dr. James Kayll, the renowned forester from Lakehead University in Thunder Bay says: "You can't discuss the environment without discussing trees and you can't discuss trees without discussing the environment". It is time we started to do both.

* * *

THE ECONOMY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, restraint in government expenditures will reduce the burden on monetary policy in fighting inflation and create greater scope for lower interest rates and a lower dollar.

To date considerable progress has been made. Spending restraint has provided the largest share of our deficit reduction efforts. It has involved a number of necessary decisions, which are always difficult and sometimes unpopular.

We, as a government, must have continuing action to control expenditures. In our fiscal situation the government can ill afford examples to the contrary, such as the reported expenses at Ports Canada.

Indeed, we bear a responsibility to search out and eliminate wasteful spending, improve our efficiency and ensure the best value for the taxpayers' dollars.

Our government must continue to evaluate all government expenditures in this context. The end result is much-needed latitude for our monetary policy in curbing inflation.

Only at this time can Canadians, and in particular our exports, have the opportunity to benefit from lower interest rates and a lower Canadian dollar.

* * *

THE FISHERY

Mr. Joe McGuire (Egmont): Mr. Speaker, as you know, the spring lobster season is now one week old. Prices during the week were $1.75 for market lobsters and $1.25 for canner lobsters. These are the lowest season opening prices in years, but the fishermen's expenses have never stopped increasing.

People in the industry are not optimistic about the chances of the situation improving, mainly because of the large inventory currently being held by the processors. These prices are so low that many fishermen will actually lose money if they put to sea. This is the third consecutive poor season for the lobster fishermen of Prince Edward Island.

I realize that extensive new marketing schemes are being developed and that some have already been put in place, but these are plans which are expected to resolve the situation down the road. They will not solve the immediate problem.

I am asking the government to use the Fisheries Prices Support Board as an interim measure to establish prices which will allow fishermen to continue to fish in an economically viable situation.

This board is already in existence, so I ask the government to act quickly so that our fishermen will have a chance to salvage their season and the processors will continue to have a viable operation.

* * *

[*Translation*]

NATIONAL BANK OF CANADA

Mr. Phillip Edmonston (Chambly): Mr. Speaker, since 1980, Quebecers have had the benefit of consumer protection legislation. When they use a credit card to make a payment, interest is calculated only on the balance payable. Unfortunately, it has come to our attention that the National Bank of Canada, which agreed to observe the legislation, has decided, as a result of pressure by other banks, to charge Quebec consumers $1.5 million more because it will be applying the same policy as the rest of the federally-chartered banks.

Today I want the federal government to order the National Bank of Canada, first of all, to appear before the Committee on Consumer and Corporate Affairs and Public Administration, to find out whether it is, in fact, proceeding in this matter; and second, to find out whether it would not be preferable for the federal government to monitor the way the chartered banks are calculating and charging interest.

Some hon. members: Hear, hear.

* * *

[*English*]

MENTAL HEALTH WEEK

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, Canadians from all parts of the country took time during the recent national Mental Health Week to acknowledge the contribution of all those who serve in that field. I would like to endorse those statements, albeit belatedly.

Although these remarks have been prompted, at least in part, by the extremely thoughtful, attentive care which all members of the staff at Fairview Home in Brandon have been providing to a member of my own family who has been extremely ill for several weeks, I would like, as a member of Parliament, to express what I believe is our collective appreciation to the unknown legions of Canadians who provide health care, regardless of their area of specialization, each hour of each day of each week and who all too frequently receive little or no thanks for doing so.

Canada has perhaps the best health care system in the world thanks largely to the thousands of professional and dedicated people who serve the public so faithfully.

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LATVIA

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, on Friday, May 4, Latvia adopted a declaration to restore the republic's independence from the Soviet Union. The declaration states the Soviet annexation of 1940 as

illegal, re-establishing portions of the 1922 constitution declaring Latvia an independent democratic republic.

The declaration also pledges an unspecified transition period to restore the republic's actual independence from the U.S.S.R., during which period it promises to abide by Soviet laws as long as those laws do not infringe on Latvian sovereignty.

All three Baltic states have now declared their independence. As a member of Parliament in a country that has never recognized the annexation of the Baltic states, it is my hope that this time it does not take as long for the two sides to come to the table.

Having just returned from the Soviet Union, it is also my hope that negotiations in peace and good faith will take precedence over economic sanctions. This is an opportunity, in the spirit of co-operation and confidence that is sweeping all of Europe, to rectify a situation that was a result of, at best, a dubious and questionable agreement.

ORAL QUESTION PERIOD

[*English*]

FISHERIES

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is for the Deputy Prime Minister. Today, after holding their breath for more than a year, the people of Atlantic Canada were finally given a package for the fishery that is totally inadequate, judging by the magnitude of the problem. Yet, on December 13, 1989, the Prime Minister said:

> —the Government of Canada will act in respect of the Atlantic fishery with exactly the same kind of generosity and enthusiasm that we brought to resolving the problems of the prairie farmer a few years ago.

Mr. Speaker, that was a billion dollar program for only one year. The government announced today a program of $587 million over five years and one-third of that, the government has already announced, is not even new money.

Why has the government not come forward with a truly meaningful program to maintain the fishing communities of Atlantic Canada until the fish stocks recover? Why will the government not recognize that we are dealing with a truly important, valuable and renewable resource?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Government of Canada announced today, in addition to a significant contribution announced some months ago, the dedication of another $426 million to deal with the crisis that has been caused in Atlantic Canada by developments in the fishing industry, particularly with regard to northern cod but also with regard to other species.

It is designed to help ensure that people who make their livelihood in that industry, who contribute to the growth of Canada in that industry, will either be able to continue in that industry with the benefit of new research and the benefit of new projects being sponsored by this government, or will be able to make adjustments to other kinds of effective economic activity as effectively as possible.

It is a significant major step clearly comparable to the action that this Government of Canada took with regard to western farmers facing an earlier but different crisis.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the Secretary of State for External Affairs has just admitted that the government today has not announced the kind of program the Prime Minister spoke of when he talked about western farmers last December.

[*Translation*]

Mr. Speaker, when the minister talks about making adjustments, he really means phasing out. In other words, whole communities will disappear, and families will have to give up their traditional way of life.

I want to ask the minister this: How many families will have to lose their livelihood? How many communities, so far prosperous, must turn into ghost towns until the government realizes that the fisheries are a durable industry that should be promoted and not closed down? How many more Scheffervilles is the government going to give us?

Some hon. members: Yes, how many?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, whatever the government's poli-

cies or statements may contain, we can count on the Hon. Leader of the Opposition to say it just isn't enough.

• (1420)

[*English*]

The reality, Mr. Speaker, is very clear. What has been announced today is a major program designed to rebuild the fish stocks at a time when there is a significant environmental threat to the stocks that make viable our east coast fishing communities. It is a major contribution to programs that will allow the communities and the people involved in the fishing industry in Atlantic Canada to adjust constructively to these kinds of realities and, also, a significant new contribution to economic diversification in Atlantic Canada.

Earlier the Leader of the Opposition talked about the comparisons between western Canada and Atlantic Canada. He will know that there are over 165,000 farmers in western Canada. There are 60,000 fishermen in Atlantic Canada. What has been announced today is a new $426 million program to help Atlantic Canada. That amounts, in total, to $584 million being spent by the Government of Canada over this period to help ensure that we maintain a viable fishing industry and viable alternatives for people who have been working in that industry.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister talks of the need to rebuild the fish stocks, which problem he says is due to an environmental situation.

The Harris report identified foreign overfishing as a major contributor to the depletion of our fish stocks. Yet, all we see in the government's announcement today is that it will continue "intensive, diplomatic and political efforts" to try to resolve the problem.

This means that the Spanish and Portuguese will continue to pillage our stocks and the European community will continue to set quotas far above what these stocks can sustain.

If the government is serious about foreign overfishing, why did it not declare today Canadian jurisdiction over the nose and tail of the Grand Banks? Why did it not stand up for Canadians just once? Why did it not speak for Canadians when it had the chance to do so?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the Leader of the Opposition should not be driven by his new responsibilities to abandon the reputation for seriousness that he has won over the years in this House of Commons.

Some hon. members: Oh, oh!

Mr. Clark (Yellowhead): He knows far better than to make accusations of that kind.

Let me make a point about conservation. The Leader of the Opposition is suggesting by the tone of that question that the conservation issue is not an important issue in this debate. If, by chance, he is quoted in Europe with regard to those views which are at variance with the facts and at variance with the reports of the Harris committee and others, he will make it far more difficult for us to carry on a campaign that has already found some succès. This is a campaign to persuade the Europeans to respect the environmental reality, to respect the arguments of Canadians, and to begin to play closer attention to the North Atlantic Fishery Organization quotas that have been set and that they have been ignoring to the detriment of Canada.

[*Translation*]

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is for the Deputy Prime Minister.

The Prime Minister said here in the House that the government would act and announce generous wide-ranging programs for the problems we have in the Atlantic fisheries. But what the government announced this morning clearly contradicts the Prime Minister's words. Four hundred and twenty-six million dollars over five years for the Atlantic provinces comes to less than $21 million a year for each province. It is really making fun of us!

Can we then conclude, Mr. Speaker, that the Prime Minister still believes that there is no crisis in the Atlantic fisheries and that everyone seems to be doing fine?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, there is a crisis and there is an answer to this crisis in the Atlantic fishing industry.

Several weeks ago, we announced part of the answer and today some of my colleagues in the Government of Canada announced other measures and programs to

help Canadians in this industry so that they can find other ways to earn their living and also to help establish a strong and lasting industry in the Atlantic region.

Of course, other things must be done. My colleague, the fisheries minister, has called a meeting of the fisheries ministers of the five eastern provinces for Friday. The provinces will also have opportunities to participate in the program to help an industry that is important for all of Canada.

Today we took another very big step to assure Canadians that the industry can continue to play a major role in Canada's future.

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, they simply want to force us in the Atlantic Provinces to move out.

[*English*]

In the fisheries package announced this morning we see that $130 million is from existing UI and ACOA funds and that $28 million is to replace the tracker surveillance from Summerside.

Can the minister assure us that the remaining $400 million for all the Atlantic provinces over five years is new money and not money being recycled or reprofiled from existing programs? Is that new money?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, that is a distinction that the hon. member has raised often in the House before and which means nothing at all to the people in Atlantic Canada who, prior to these announcements, were receiving no help and now, because of these announcements, will be receiving in excess of $500 million of help from the Government of Canada.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Deputy Prime Minister. The proposal this morning for Atlantic Canada talks of rebuilding the stocks in order to provide a more reliable economic base for the fishery.

The question is, for whom is this economic base being developed because, as we have already heard, there are people in many small communities who are going to be forced out of the business.

According to the government's own Canada Employment and Immigration Advisory Council: "The rebuilt industry—" referring to the fishing industry in the Atlantic, "—should not be dominated by the giants of the industry to the exclusion of the existing participants".

Is this adjustment package not doing just that? In fact, in the long term, is it not simply adjusting the small operators out of the business and saving the field for the larger operators?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the short answer to that question is no. Unfortunately, the leader of the New Democratic Party has her own view as to the point she wants to make and she will not in this case, as in others, be dissuaded by the facts.

The facts are that this is a program designed to re-establish the strength of the Canadian fisheries industry, to re-establish our capacity to enlarge the stocks, or at least to understand more successfully the science relating to a very serious environmental problem that has industrial implications on the east coast of Canada. It is also designed to help individuals who are in the industry and communities that are in the industry, including small communities, look for alternatives that will allow them to maintain, in the fishing industry or in other industries in that region, the kind of viability that they and the people who work in them would like to have.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the minister talks about economic diversification. However, he will have to acknowledge the fact that the people in the Atlantic region have already said that they want to see a system based on some kind of community allocation of the resource, not just enterprise allocation. Perhaps this government should listen to some of the experts in the field.

I would also like to raise a question with the minister about economic diversification. The same advisory council which I previously mentioned has said to the Minister of Employment, with regard to the regional development programs of this government, that "it appears that certain major negative effects will be experienced as a result of the following federal decisions". They included in that cut-backs to regional development funding and changes to the UI program.

How can the minister claim that economic diversification will work when the very policies of this government have crippled the region?

• (1430)

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the very policies of this government have contributed—let me check my figures—

Some hon. members: Oh, oh!

Mr. Clark (Yellowhead): I confess, from time to time, to being overwhelmed by the volume of these figures.

This funding announced today, virtually an additional half a billion dollars going into Atlantic Canada, is in addition to the $2.125 billion the Government of Canada will spend through 1994–1995 on regional development in Atlantic Canada. That is a very significant investment in the economic future of that region. I am sure the hon. Leader of the New Democratic Party would acknowledge that point.

It is also an investment designed to try to take account of certain realities that cannot be talked away and that have to be dealt with in Atlantic Canada. These are the realities that have to do with the jobs that are being exercised now by individual Canadians, that have to do with the problems of older Canadians who are in those industries and who need some help in adjustment, and the policies that will be designed to help some of the communities which cannot continue in a fishery where there are fewer and fewer fish and to help some of those industries make use of either other stocks or other attributes of Atlantic Canada.

We believe that there is a very strong and diverse future available to Atlantic Canada. We believe that we have a responsibility to face the facts about the threats and about the responses. That is what we are doing in this program. That is what we have been doing for the other programs this government has followed to help the development of Atlantic Canada.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, earlier the minister spoke about conservation and I want to raise another question about the ability of the government to deal with that particular area and particularly the surveillance of our coast.

[*Translation*]

This morning, the Minister of Fisheries and Oceans was talking about the need to guard our coastline. Two years ago, his department admitted that the number of surveillance ships was not sufficient. Dr. Harris said the same in his report. How much money, in dollars and cents, is the minister going to spend on marine surveillance?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, we have already mentioned a number of programs to develop our capacity for airborne surveillance. That announcement has already been made. There have been further proposals, by Dr. Harris and others, for dealing with this part of the problem.

However, there is a point I would like to make, since the hon. member mentioned environmental issues. A question was asked earlier today about the reaction of European countries. We are now trying to convince the Europeans that there is a major environmental problem which affects both Europe and Canada. We hope to convince them that they must change the practices of their fisheries and start observing the standards set by the international organization. It is important that Canada speak with one voice on environmental issues concerning the Atlantic.

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to members' attention the presence in the gallery of a trade delegation from Argentina led by Dr. Eduardo Angeloz, Governor of the Province of Cordoba, and Dr. Adolfo Rodriguez Saa, Governor of the Province of San Luis.

Some hon. members: Hear, hear!

* * *

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I also have a question for the Secretary of State for External Affairs.

He will know that for 500 years the fisheries have been the soul and the life-blood of Newfoundland. Yet, in less than a half hour this morning at a news conference in St. John's, his colleague, the Minister of Fisheries, effectively placed in jeopardy five centuries of traditional history, an entire way of life.

Has the government actually taken a decision that dozens of our fishing communities must be wiped off the face of the earth? Is that the hidden agenda behind

today's announcement? If so, I say to him, it was not terribly well hidden.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, it is important that the differences between the parties in the House be understood.

The hon. member has said that the fishery in Atlantic Canada is in jeopardy. That is not our view. He has suggested that an industry that has been of crucial importance to Atlantic Canadians since well before they were Canadians is in jeopardy. That is not our view.

We believe that there is an industry that can be made viable in Atlantic Canada. We believe that some realities have to be faced and the government is on the path to facing those realities by working with the people in the fishing industry, by being prepared to put up hundreds of millions of dollars to help, by being prepared to take a look at ways in which we can help older Canadians working in that industry who do not have many other options look at options that they can pursue, and by helping those communities particularly affected by a problem not caused by any government—it is an environmental problem that has reduced fishstocks—and determining ways in which we can help them meet the future effectively.

Rhetoric will not do it. Misreading 500 years of history will not do it. But preparing Atlantic Canada to be able to deal effectively with the next 10 years and the next 100 years is what the government is doing and that is what needs to be done.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, that was a marvellous speech. But it was caused by the government allowing the foreign overfishing.

Some hon. members: Oh, oh!

Mr. Speaker: I would ask the hon. member to put his question.

Mr. Simmons: Mr. Speaker, as the minister knows, it will be in jeopardy as long as he continues to use the wrecking ball against the Atlantic fishery.

There are thousands of fixed gear fishermen along the southwest coast who have had serious disastrous catch failures triggering plant shutdowns and thousands of layoffs. The program today does not mention one solitary word about those people. There is no provision for them at all.

Was that omission an oversight and, if so, will he undertake to have it rectified immediately? Or, was it a deliberate act and part of the government's plans to ensure that these people will be driven out of their communities and put on the welfare rolls in Toronto? If that is what he is up to, he should tell us once and for all.

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I will certainly tell the House and it is up to the member to decide whether it will be once and for all, or whether we will have to repeat it as we have before.

There is no program by the government to try to depopulate fishing communities in Atlantic Canada. On the contrary, what we are trying to do is to make it possible for those kinds of communities to find an economic future that will last well into the years to come.

The member raises a question as to other issues on the agenda. There certainly are other issues on the agenda, some of which we have to deal with, some of which have to be dealt with by provincial governments, and some by the industry and the people working in it.

My colleague, the Minister of Fisheries and Oceans, will be convening a meeting of the Atlantic Council of Fisheries Ministers on Friday. There will then be an opportunity, not only to look at other elements of the challenge that remain to be met, but also to begin to discuss how we can fill in the details and the funding of some of the proposals announced this morning and, importantly, Mr. Speaker, how we can ensure that provincial governments, which also have a responsibility for this matter, are able to play their full role.

Mr. Simmons: Why won't you talk to them? You walked away from the table.

Mr. Clark (Yellowhead): This meeting of the council on Friday will continue a pattern of consultation which has been undertaken by my colleague, the Minister of Fisheries, on behalf of Canada.

AGRICULTURE

Mr. Maurice Foster (Algoma): My question is directed to the Minister of Agriculture. Five weeks have passed since the government announced its program to assist western farmers facing one of the worst financial crises in history, certainly at seeding time, and yet not one dollar of assistance has gone out to farmers.

Western prairie premiers are meeting today in Portage la Prairie and have formed a common front, demanding that the government provide assistance on its own. In view of the common front adopted by the Prairie premiers in demanding that the federal government act on this issue on its own, how and when can farmers expect financial help from the government?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is quite true that the federal government has been there for some five weeks putting its money on the table. We have asked, in the spirit of co-operation and in the spirit of a shared responsibility, that the provinces become a party to the package of assistance that is being worked on.

• (1440)

I can only tell the hon. member that discussions are continuing with the respective agriculture ministers. I have had ongoing discussions with the Ministers of Agriculture for the Provinces of Manitoba and Saskatchewan and, indeed, the Province of Alberta. We are now at the stage where we have looked at the inventory of the provincial programs which are eligible for cost-sharing and progress is being made.

I can also tell him that, in the case of Manitoba, for example, we are at the stage that for an $8 million contribution by the Province of Manitoba, the producers could have something in the area of $72 million distributed almost immediately. So, I ask them to get on board, share their portion of the responsibility, and stop copping-out.

Mr. Maurice Foster (Algoma): Mr. Speaker, most of the responsibility is with the federal government and the minister knows that.

Every week, from the farmer's point of view, the news gets worse. The Farm Credit Corporation's interest rate goes up, the initial price of wheat goes down—almost by 20 per cent last week—and still there is no money going to the farmers. Canadian farmers are going to be receiving under initial payment almost one-third less than farmers in the United States.

When is the government going to stop jacking farmers around, stop blaming the provincial premiers, and make the payments to the farmers? Seeding is well under way, initial payments are down, and interest rates are up. When is the government going to make the payments?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, we are not jacking the farmers around. As a matter of fact, we are trying our utmost to ensure that the farmers get as much cash in their hands as soon as they possibly can.

The hon. member knows that the record of the government in terms of support for agriculture has been unprecedented.

Mr. Foster: Now, Don. When are you going to send out the cheques?

Mr. Mazankowski: In 1988-1989, for example, in Saskatchewan, the federal government put in $1.7 billion, compared to the Province of Saskatchewan putting in $176 million. That is ten times more than the province put in.

I can refer to Manitoba where in that same year $740 million was provided by the federal government. That is seven times more than that which was provided by the provincial government.

All we are saying, and I ask the hon. member to say with us, it is time that they paid their fair share. That is all we are asking them to do.

* * *

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I think it is pretty clear to all Canadians that the government is destroying our basic resources, our farms, our fish, and our forests. During National Forestry Week, it is important that we reflect on the importance of those forests.

At the Canadian Pulp and Paper Association's annual meeting on February 2, the Prime Minister said, in reference to forest agreements, that their importance had not diminished around the Cabinet table and that the government was struggling to find funds for them. Indeed, it has been quite a struggle.

In light of the absence of the Minister of Forestry, I would like to ask the Minister of the Environment if he will give his support to those agreements, fund the required funding requested by the provinces, and ensure that the government does not treat our forests in the same manner by which it has destroyed the Atlantic fisheries.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Mr. Speaker, I am pleased to answer my colleague from British Columbia. He should be aware that the federal government has done a great deal for forestry. Since 1984, we increased funding by over 300 per cent; we renegotiated the agreements with some provinces, like New Brunswick and Nova Scotia.

I can tell you, Mr. Speaker, that the negotiations are going well now and that the Minister of Forestry is very conscious of the need to give forestry its fair share, since it is one of the most important sectors of the Canadian economy.

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[*English*]

REGIONAL DEVELOPMENT

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is directed to the Deputy Prime Minister.

In his question, my colleague from Prince George—Bulkley Valley referred to unrenewed forest agreements. As the minister knows, in western Canada these agreements are only part of 26 agreements worth $671 million that have expired since March 31, 1989, and have not been renewed. Valuable initiatives in forestry, tourism, northern development, infrastructure development and other areas are on hold and key personnel are being lost.

Therefore, I would like to ask the Deputy Prime Minister, when will the internal turf wars within the government between regional and sectoral ministries be resolved so that these initiatives can go forward?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I can assure the hon. member that discussions are ongoing. We are very close to reaching conclusions with respect to the agreements to which the hon. member refers. I think I would be fair in saying that these announcements will be made very shortly.

* * *

AGRICULTURE

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to come back to the Minister of Agriculture. He said in response to the question about support for western farmers that he wants the provinces to pay their fair share.

Is the Deputy Prime Minister aware that the province of Manitoba has already lost close to $100 million from federal government transfer payments? Is he aware that to meet the requirements of the federal cost-sharing plan, the province will have to double its agricultural budget over last year? Is he aware that over 30 per cent of Manitoba farms went up for auction over the past year, while this government is playing financial chicken with the provinces?

In other words, Mr. Speaker, is not the minister putting forward a formula that discriminates against smaller provinces that do not have the financial resources to meet that kind of formula? Will the minister not change the formula to give smaller provinces the chance to help their farmers because they need the help now?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I appreciate the hon. member's question. With regard to the reduction in the rate of increase in transfer payments, we are applying the same discipline to the provinces as we are applying to ourselves in the federal government. We think that that is fair.

With regard to doubling the budget, Mr. Speaker, I disagree with the hon. member. There have been ongoing discussions with the minister of agriculture. They

have some programs that would be eligible. What we are discussing are new programs that would help in overcoming the income deficiency for 1990. They have brought on a number of programs that will qualify.

I can assure the hon. member that we are within $8 million of coming up with a matching program. We are at the stage now that for $8 million provided by the province of Manitoba, the farmers would have $72 million in their hands. That money can be distributed in a program that would be designed by the provincial government in close co-operation with the federal government. We think it is fair. I think we are very close and hopefully we will be able to strike a deal very quickly.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I want to put this question to the Minister of Agriculture. Is it not the height of quibbling to put in jeopardy the farms of hundreds of Manitobans for the sake of $8 million? Why does not the federal government simply change its formula rather than pressuring and forcing the smaller provinces to meet its criteria?

The Premier of Saskatchewan has already offered a new eight to one cost-sharing formula. Is it not time for this government to show some flexibility, tolerance and a sense of compromise by responding to the real plight of western farmers at this time? Will the minister not begin to show some compassion for western farmers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the generosity of this government towards farmers in comparison to the government of which he was a member, is as large as the difference between night and day.

We have provided close to $22 billion in income support to agriculture in the last five and a half years, almost $12 billion going to the western region.

The hon. member knows very well the difficult financial constraints the federal government is in. All we are asking is for the provinces to become a part of the solution.

There are programs that qualify. We said that we would be very flexible. We are being flexible. In fact, we have been able to negotiate with the province of Manitoba to the point where we can get as much money as we possibly can into the hands of the farmers. That is the bottom line. It is not a matter of quibbling over $8 million. It is a matter of getting the greatest amount of money in the hands of the farmers as quickly as we possibly can. That is our goal and that is our objective.

* * *

• (1450)

WOMEN'S PROGRAM

Ms. Mary Clancy (Halifax): Mr. Speaker, my question is for the Secretary of State and it concerns the temporary restoration of funding for the women's program.

Provinces such as Newfoundland and Nova Scotia will be in no position next year or in the foreseeable future to fund women's centres.

Will the minister undertake to maintain core funding in the women's program permanently and thus relieve the feelings of insecurity of those women depending upon those moneys?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as the hon. member knows, the government has agreed to provide transitional funding for a one-year period to ensure that the services provided by women's centres across this country can continue. Beyond that, we will be entering into a review process involving various federal government departments, provincial governments, the women's centres and I would hope other partners to develop new partnerships to ensure the ongoing work of women's centres to assist women throughout this country.

Ms. Mary Clancy (Halifax): It was a nice answer but it was not perhaps what I had asked. My supplementary is for the same minister, the Secretary of State.

[*Translation*]

The government did not restore research funds for the major women's groups.

Since these research groups are largely responsible for shedding light on the difficult situation of women in Canada, is the minister not prepared to go back on his decision and to restore these funds for research?

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)): Mr. Speaker, we must live with reality. The budget left us less than $1.6 million for our program. We must not go back. We are in very difficult times. In our program, we have certainly set up a transitional process that will help find other solutions and give a little time to do so. We will try to build partnerships with the provinces and the private sector. But as I said, our program has less money and we have managed the program with the means at our disposal.

* * *

[*English*]

IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, my question is for the Minister of Employment and Immigration. Amnesty International, with many other Canadians, has urged the minister not to deport Mohamed Ahmet Said to Kenya today, as is scheduled, because two other rejected refugee claimants deported by Canada to Kenya in recent months were imprisoned, beaten, and interrogated about other Kenyans in Canada by the Kenyan government. Mr. Said has offered to pay his own passage to any other country than Kenya, if Canada will assist him to go there and settle in safety.

Will the minister assure this House that Said will not be deported to Kenya but will be allowed to make other arrangements.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I thank the hon. member for his interest in this case, which I know is a very sensitive one. I have looked into the case, as have others, and I am not prepared at this point to provide the guarantee that the hon. member has asked for.

Mr. Dan Heap (Trinity—Spadina): Mr. Said who, as the minister will know, has desperately resisted forcible removal, has also told the detention centre psychiatrist on the record, that he would rather die than return to Kenya.

He has also signed a statement, which I sent to the minister, saying that an immigration officer warned him that if he makes a noise during removal, and I quote, "the police and doctor will know what to do". He is evidently referring to a practice of administering drugs without consent to make deportation easier.

Will the minister confirm that it is the government's policy to administer drugs without consent to make deportation easier?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, this is another very sensitive issue that I know both the hon. member and myself have some interest in. It is a very difficult one. From time to time, a medical attendant is required when people are being deported. This is not simply a practice of our people. It is a practice that has to do with the safety of the person involved and the safety of other passengers.

We certainly expect any decisions to be taken with sensitivity and that they are taken as a result of what the medical attendant views as what is required.

* * *

REGIONAL DEVELOPMENT

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, I have a question which involves the Ministry of National Revenue. First, I would like to commend the government for its acknowledgement of the hardships experienced by the community of Summerside resulting from the closure of CFB Summerside and taking this opportunity to restore some economic balance to the community and to the region.

Given last Thursday's announcement that a GST data processing centre will be located in Summerside, Prince Edward Island, I would like to ask if a similar facility will be required in western Canada and, if so, will regional development factors be taken into consideration once this decision is made?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, first, I would like to point out that regional development factors are always taken into consideration in a decision making process of this nature.

The processing centre is only one very small element of the total GST package. That is the processing element. The administrative factor, which includes such things as service, compliance, assistance and information, both to the public and the business community, will be spread equitably across Canada in every region, province and territory.

Not only will Canadian consumers and businesses benefit as a result of the change from the very bad federal sales tax, which is now going to be replaced with a much fairer GST, value added form of a tax, but all regions, provinces and territories will benefit equally.

* * *

FISHERIES

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, my question is for the Secretary of State for External Affairs who chaired a special cabinet committee on the east coast fisheries.

Since the needs of the Atlantic Canadian lobster fishermen were not addressed in the fisheries package, will the minister specify whether or not there will be a separate support package for the lobster fishermen?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, as I think the hon. member knows, that question is under active consideration by my colleague, the Minister of Fisheries and Oceans, who will be in the House tomorrow and the rest of the week.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, my supplementary question is for the same minister. Given that the fishermen will lose $30 million this year alone because of the American size restrictions and that the Prime Minister failed to keep his promise that he would protect the lobster fishermen, can the minister assure us that there will be meaningful and adequate assistance for the lobster fishermen in the Atlantic regions?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, with great respect, I think I responded to that question. The member added a new element to it when he talked about an undertaking by the Prime Minister. I take it that was the undertaking by the Prime Minister to raise the question of lobster size with the President of the United States.

The Prime Minister raised that question. We then followed with other trade actions. It was not a trade action that we won. There has been a preliminary decision that is causing concern throughout the industry.

I know the hon. member would not want to leave upon the record the false impression that unfortunately his question left that the Prime Minister had undertaken to do something which he had not done. The Prime Minister gave an undertaking and acted on.

* * *

PETRO-CANADA

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is again for the Minister of Energy. Last week, the minister told this House that he would discuss Petro-Canada's dealings with the dictatorship of Myanmar, commonly known as Burma, with his colleagues.

Has the minister had an opportunity for this discussion, and does he have any decision to report to the House?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I indicated that the position of Petro-Canada in Myanmar would be looked at. There was a review done by the officials of Petro-Canada. Mr. Folkes, who spoke on behalf of Petro-Canada, indicated that Petro-Canada was going to remain in Myanmar and fulfil the contract terms that they had signed.

Mr. Speaker: A single question from the hon. member for Essex—Windsor.

* * *

THE ENVIRONMENT

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question concerns Environment Canada's wimpish record in the province of Ontario. Last year, not a single prosecution against polluters was pursued in Ontario. The government has now allowed new transport of dangerous goods across the Detroit River, starting today, despite objections from every single Canadian municipality affected.

• (1500)

I want to ask the Minister of the Environment why this government has refused to act against Ontario polluters and why it has rejected public environmental assessment hearings on this Windsor barge which threatens so many people in my community.

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, the hon. member refers to a report in today's newspaper about this question. The report mentioned that not more than one charge had been laid

against the polluter involved with dioxins being discharged in the water.

The hon. member should know that there exists no regulations to control dioxins and furans. These toxins have been discovered quite recently. We are acting very quickly. The new regulations will be in force next month to virtually eliminate dioxins and furans from Canada.

As far as the fishery is concerned enforcement of regulations in Ontario is the responsibility of the provincial government, so the hon. member should put this question to the provincial government.

Mr. Speaker: I express my apologies to the hon. member for Winnipeg North Centre who had a supplemental question.

PETRO-CANADA

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my supplementary question is directed to the Secretary of State for External Affairs. It concerns the same question.

Because of the seriousness of the human rights violations in Myanmar, a Special Committee of the United Nations Commission on Human Rights has chosen to examine this country through a confidential procedure. Considering the seriousness under which the United Nations views the abuses, and given what the minister of energy just told us, what is the position of Canada on this UN procedure?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, the position of Canada on UN procedures with respect to human rights has been to co-operate with them fully, even when they had to do with investigations into Canadian practices.

I would expect that we would participate fully in any UN investigation of the situation in Myanmar which, as my colleague and I have indicated in the House on earlier occasions, concerns Canada very much. It concerns Canada not simply with regard to the specific matter he has raised here respecting the commercial activities of a Canadian company but also the practice of that government of jailing the Leader of the Opposition and of making it virtually impossible for persons from outside to come in to observe the so-called election.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 38, I have the honour to table, in both official languages, the government's response to 93 petitions.

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

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[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

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

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

* * *

[*English*]

POINT OF ORDER

MINISTER'S STATEMENT—NATIONAL FORESTRY WEEK

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, concerning Ministers' Statements on Friday last the hon. member for Saskatoon—Clark's Crossing, our deputy House leader, asked the government House leader whether we would have a ministerial statement from the Minister of Forestry in light of the importance of National Forestry Week.

I was not in the House on Friday. I have checked the record but I stand to be corrected. I am wondering, given the importance of forestry to the country and it being

National Forestry Week, if we can expect a statement from the minister on National Forestry Week.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, as I indicated on Friday, you can expect the minister to be in touch with the person who originally raised the matter when the minister is back in Ottawa. He is away on government business at the moment.

* * *

COMPETITION ACT

MEASURE TO AMEND

Mr. John R. Rodriguez (Nickel Belt) moved for leave to introduce Bill C-299, an act to amend the Competition Act (class action).

The Acting Speaker (Mr. Paproski): Shall the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Rodriguez: Mr. Speaker, the purpose of this bill is to provide for class actions. This would allow consumers to get together to bring a class action where they have received a collective injustice in the market-place.

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

* * *

CRIMINAL CODE

MEASURE TO AMEND

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke) moved for leave to introduce Bill C-300, an act to amend the Criminal Code (obscenity).

The Acting Speaker (Mr. Paproski): Shall the hon. member have leave to introduce the bill?

Some hon. members: Agreed.

Mr. Hopkins: Mr. Speaker, subsequent to my statement in the House on February 8, I would like to introduce a private member's bill which amends the Criminal Code with regard to obscene mailings.

Late last year three Canadian forces bases in Ontario were the target of a catalogue mailing from a lingerie company. The catalogue was unwrapped and contained pictures that bordered on being pornographic. People on these bases were outraged and offended by this mailing.

This private member's bill introduces amendments that would render the practice of delivering unsolicited visually obscene materials through the mail illegal.

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

* * *

PETITIONS

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I think this petition on the forest resource development agreement between British Columbia and Canada is appropriate. I know Your Honour understands the importance of it. I wish the Minister of Forestry who has made five commitments to sign this agreement would get on with the job and help replant our forests.

This agreement is critical to the province of British Columbia and the other provinces which have forest agreements that have expired.

GOODS AND SERVICES TAX

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, I rise today under the provisions of Standing Order 36 to present petitions signed by thousands of Canadians opposed to the goods and services tax. I am submitting today over 3,000 petitions from Canadians who are angered at the callous indifference of this government to hear their plea to reverse such a regressive tax.

These Canadians are also calling on taxpayers to join them Saturday, May 12, at noon on Parliament Hill to show that Canadians everywhere are strongly opposed to the goods and services tax.

VETERANS AFFAIRS

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

It contains the signatures of members of the United Senior Citizens of Ontario Incorporated who say in this petition that the Government of Canada has introduced charges that will reduce home keeping services to veterans and substantially increase the cost of long-term care.

Whereas our veterans have already given service to this country and should not be targetted by these

measures, they call upon Parliament, therefore, to reject those budget measures that deprive veterans of proper services and increase their financial hardship.

• (1510)

GOODS AND SERVICES TAX

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition pursuant to Standing Order 36.

While looking at the tulip beds on the weekend I went around and talked to people asking if they would be interested in signing the petition against the GST. Everyone that I approached wanted to sign the petition, and some actually wanted to take copies home with them and get their family and friends to sign it.

This points out that obviously a lot of people oppose the GST and they have listed their names here.

I have another petition to present from Kamloops where the petitioners are curious that the government is taxing reading. I think it makes us the only country in the world that will tax reading by imposing the GST on reading material. They are obviously opposing this initiative by the government.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, pursuant to Standing Order 36, it is my privilege to present several hundred signatures from Canadians across this country. Your petitioners ask the government to withdraw the goods and services tax because it is a regressive tax that will increase inflation, cause interest rates to rise and have a negative impact on all Canadians. They therefore call upon Parliament and this government to withdraw a measure that is totally regressive and unacceptable.

[*English*]

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I rise pursuant to Standing Order 36 today to present petitions signed by Canadians opposed to the goods and services tax.

These petitions have been circulated by citizens who are calling on taxpayers to join them at the rally on Parliament Hill on Saturday, May 12, at noon, to show that Canadians are opposed to the government's goods and services tax.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is my pleasure pursuant to Standing Order 36 to present a petition, signed by Canadians opposed to the goods and services tax, calling on Parliament to reject the tax.

These petitions have been circulated by citizens who are calling on taxpayers to join them at a rally on Parliament Hill on Saturday, May 12, at noon, to show the government that Canadians are opposed to the goods and services tax.

VETERANS AFFAIRS

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a petition signed by a large number of veterans in the constituency of Notre-Dame-de-Grâce. It asks Parliament to reject those measures in the budget which reduce home keeping services to veterans and substantially increase the cost of long-term care for veterans.

The petition goes on to say our veterans have already given great service to this country and should not be targeted by these cruel measures.

GOODS AND SERVICES TAX

Mr. Sergio Marchi (York West): Mr. Speaker, I too would like to deposit for the government's attention hundreds of petitioners who have written and urged this government to go back to the drawing-board with reference to the GST. Not only is it going to hurt average Canadians and their families coast to coast. It is also going to prove to be a hardship for the small business sector across this country.

We urge all Canadians, once again on May 12, at noon in front of Parliament Hill, to come and demonstrate some solidarity so that finally this government can listen and hear the voices and messages coming from average day Canadians right across this country.

CANADA POST

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to table pursuant to Standing Order 36 a petition signed by thousands of Canadians living in and around the community of Halfmoon Bay, British Columbia. These Canadians are upset with the Canada Post decision to shut down their post office.

They humbly pray and call upon Parliament to instruct the government not to shut down the post office at Halfmoon Bay, British Columbia.

I would like to thank Gordon Wilson, leader of the Liberal Party of British Columbia, for circulating this petition which was so successful in obtaining so many names.

GOODS AND SERVICES TAX

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have another petition signed by 430 people from the great riding of Glengarry—Prescott—Russell who petition Parliament and call upon the government not to proceed with the GST, the grief and suffering tax.

These people also want to join all of us this Saturday, May 12, on Parliament Hill at noon, to oppose the goods and services tax. I would like to call upon all Canadians to join them in protesting this unfair measure on May 12, at noon, right here on Parliament Hill.

Mr. John Manley (Ottawa South): Mr. Speaker, I would like to add yet another approximately 3,000 names of individuals in the national capital region who have signed petitions asking the government to rethink, reconsider and withdraw its regressive goods and services tax.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, the beat goes on, and I would like once again, enthusiastically, to rise and present petitions signed by a total of 4,263 people—mostly in Edmonton and area—against the goods and services tax.

The people of Edmonton are just going to keep signing these petitions, and I am just going to keep presenting them in this House until the government withdraws that tax.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I have a total of close to 3,000 signatures of people from the constituency of Essex—Windsor, all protesting against the goods and services tax.

These constituents see this tax, very clearly, as a tax which will strongly hurt their communities, and unfairly discriminate against many people such as themselves.

I have a second petition, which is signed by approximately 300 people.

This petition points specifically to the GST being levied on skating expenses. The petitioners are especially concerned about the significant financial burden on the families of young athletes, which will be the consequence of this.

Mr. Speaker, I know you would be especially interested in seeing a petition such as this presented to the House of Commons.

LOW LEVEL FLIGHTS

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have a petition signed by people from several communities in Quebec, Ontario and Saskatchewan.

The petitioners call on the government to show some respect for aboriginal peoples, the traditional use of their lands and for Canada to seek new initiatives for peace through common security.

In order to give some substance to this, the petitioners are calling on the government to end all NATO and NORAD low-level flights in Canada. In particular, they oppose the establishment of a tactical fighter and weapons training centre in Goose Bay, Labrador.

Instead, the petitioners are asking that these funds be directed toward enabling Canada's aboriginal people to regain control of their lands and livelihood, and by promoting sustainable development.

GOODS AND SERVICES TAX

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, as my colleague from Edmonton indicated just a moment ago, the beat goes on with the goods and services tax.

I would like, also, to stand pursuant to Standing Order 36 to present yet another petition against the government's goods and services tax legislation.

These petitioners have asked the government to withdraw this legislation and to come up with some reasonable tax alternatives and reasonable tax reform.

I might add that this is the 312th petition that I have presented, representing a total of almost 15,000 voters in my constituency, which is about 28 per cent of the registered voters in Okanagan—Shuswap. I think you can see from that, Mr. Speaker, that people in the interior region of British Columbia feel very strongly against this GST, and are asking the government to please withdraw the legislation.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, pursuant to Standing Order 36, I would like to rise today to present a petition signed by Canadians opposed to the goods and services tax.

I think it is time for the government to start listening to Canadians as it relates to legislation that is not acceptable to them, and to not listen to the rhetoric of the Prime Minister who suggests that, no matter whether he is at 15 or 20 per cent, come election time he will be back to form a majority government.

Soon petitions will be presented in the House that say that if the government does not listen, it will stay at the rate it is at now and that it will not be climbing any higher.

Also, these petitioners would like me to inform the House that there will be a rally on Parliament Hill on May 12 at noon to again suggest to the government how much they hate this particular tax, and to ask the government to rescind it.

• (1520)

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I too have a petition from a number of constituents with reference to the GST, whose battle is not over yet.

These petitioners are concerned, as I am, about the GST taxing a number of things including haircuts, coffins, diapers and so on. They are especially concerned about the tax on reading material, which would make us the first country in the western world to do that.

They have proposed an alternative to the GST; which is fair tax reform, an effective tax on wealthy individuals and corporations so that they pay their fair share. They want the government not to shift the tax burden onto ordinary Canadians through this regressive consumption tax, but to have thorough and real tax reform. I would like to table this petition.

SOCIAL PROGRAMS

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition to this House, signed by a number of residents of Vancouver Quadra.

I note that the persons who signed this petition did so at the behest of the hon. member for Vancouver Quadra, who knows of the strong objections that these constituents have taken to the clawback provisions proposed to the old age pensions in Canada. These petitioners call upon Parliament to reject any legislation that would impose such a clawback.

I know that the legislation has passed this House, but it sits in the other place. Perhaps we will have the privilege of debating it again, if they follow the wishes of these constituents and reject it, as I am sure is urged by the members of the New Democratic Party.

I should add that these constituents are pleased to have a member in this House who will stand up and assert their rights, when so many of the members of Parliament from the province of British Columbia are on the government side and have voted for this pernicious legislation.

* * *

QUESTION PASSED AS ORDER FOR RETURN

Mr. Cooper: If Question No. 230 could be made an an Order for Return, this return would be tabled immediately.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House that Question No. 230 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

RESEARCH AND DEVELOPMENT

Question No. 230—**Mr. Saint-Julien:**

For each year since 1981, for each province, were funds allocated by the government for research and development in the area of (a) nuclear power (b) coal (c) gold, copper and zinc mines and, if so, what amounts?

Return tabled.

GOVERNMENT ORDERS

[*Translation*]

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND—CONSIDERATION OF SENATE AMENDMENTS

The House proceeded to consideration of the Senate amendments to Bill C-21, an Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act.

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I rise today to initiate the response from the government to the second message from the other place respecting Bill C-21, An Act to amend the Unemployment Insurance Act and Employment and Immigration Department and Commission Act.

I must begin by noting that once again,—a bill to provide new unemployment insurance benefits and to provide additional resources for training—a bill which meets the real needs of Canadian workers—has been needlessly delayed.

[*English*]

The benefits and the imperative to meet the needs of workers in Canada have been lost in the storm of rhetoric which has surrounded this bill. Many of our critics seem to believe that nothing in the world has changed, and that our training and unemployment insurance policies need not change either. Perhaps worse still is that the critics, both in this House and outside, are prepared to accept the argument of the unelected Liberal senators that the Senate has used, and ought to use, a power to change the spending priorities of an elected government.

Even those who, as a matter of principle, have traditionally opposed the exercise of power by an unelected Senate, have now given precedence to expediency because it suits their immediate purposes. We believe that the use of that power by the Senate is unconscionable on moral and democratic grounds, and that it is unacceptable on policy grounds.

If we in this Chamber, not just the government, but all of us, accept the message from the Senate, the situation of working Canadian women and men will deteriorate, and the powers of the House of Commons will be eroded for partisan, political and manipulative purposes. This Chamber, and all of us in it representing our constituents, have the opportunity to rise above such narrow and misguided thinking. It has the chance to help Canadian workers and their employers face the challenges of a world market-place as we head toward another century.

It is my intention today to draw the attention of members to the issues, and what is really at the heart of this government's bill. Members of this House must understand that continued inaction poses a very real threat to Canadian workers from coast to coast. Members of this House must continue to oppose the short-sighted and opportunistic stance taken by the opponents of this bill.

[*Translation*]

After outlining the benefits that will come from Bill C-21, I will then respond, in detail, to the message from the Senate.

First, however, I feel compelled to comment on the constitutional situation which faces all of us.

Let me remind hon. members that the Hon. Speaker advised that only we in this House can break the impasse over this issue.

This House, and this House alone, can define its rights and privileges and this House and this House alone can defend itself against the actions of those unelected persons in the other place.

This House must defend its historic right to initiate and direct the financial policy of the elected government. This is not simply a theoretical exercise, but a defence of one of the key principles of responsible government. The battle for this right was won generations ago and we must protect its integrity.

The budgetary power is not one that governments take lightly. It is one for which we are accountable to the Canadian people, as is every government which receives its authority from the ballot box.

[*English*]

Those in the other place do not have the same form of accountability and this House cannot let them take that authority from us. This government is simply not prepared to abandon its responsibilities by acceding to the demands of a group of Liberal senators who are caught in some historical time warp. This is not a time for anachronism, it is a time for action.

[*Translation*]

Let me remind members of the point raised in the ruling of the Hon. Speaker last Thursday, when he cited experts in the field.

> The Senate has— accepted as binding on itself the proposition that it should not unduly disturb what has come to be called "the balance of ways and means" or, as Hopkins says, "that it would be inadmissible to tamper with the overall financial program submitted by the government in its budgetary proposals in such a way as to effect a material change in the budgetary surplus or deficit".

[*English*]

Yet, that is precisely what they wish to do with this bill.

Liberal senators claim that they have public support for their actions and their threats. We understand better than most that some people and groups do not support some elements in this bill. Thoughtful analysts all recognize that there is a very real difference between expressing concern about this legislation and supporting unelected Senators as they attack the rights of the elected Chamber. That understanding has been echoed in editorials and columns in newspapers all across this country as recently as this weekend. We have something from *The Ottawa Citizen*, *The Toronto Star*, *The Gazette in Montreal*. We have another column in *The Toronto Star* and we have something from *The Financial Post*. This is just in the last few days, Mr. Speaker. We have all these over the last few months.

• (1530)

That is the kind of thoughtful analysis around this kind of issue that is important to all of us on all sides of the House, and they have all called on the Senate to recognize that it is not playing its legitimate role in what it is doing in this debate. There is a large body of well-informed opinion that understands, even if some Liberals in the Senate do not, that what that Chamber claims it can do has no relationship to what it should do.

Perhaps most important, and perhaps what it should not do the most, is to presume to tell this House how many dollars to spend. Dollars, let me remind everyone, that come from the taxpayers who elected us in this Chamber. This House adopted the budget of April 27, 1989, and Bill C-21 is an integral part of that decision. With this message the Liberals in the Senate want us to increase those expenditures under that budget by about $1.75 billion a year.

On what basis, what authority? My colleagues say we cannot afford it. Also, on what basis and what authority can they make this claim? I ask that particularly of the members of the NDP to answer today. As the hon. speaker noted in Britain in the Mother of Parliaments, the Upper House ceded its right to reject or amend money bills like C-21 in 1911. Mr. Speaker, that is even before you and I were born.

Unfortunately we have yet to see such a concession to responsible and representative government in this country—at least officially. However, if one reviews the record of the other place and the decisions during periods of Liberal governments in the past half century, one finds a striking respect for the British tradition.

[*Translation*]

Our government has a mandate to act and Bill C-21 flows directly from that mandate. This bill is part of our commitment specifically to provide Canadians with the best training and adjustment programs possible and more generally with our policies for economic renewal.

Canadians understand that. While Liberal Senators appeal to special interest groups to make hollow claims about the support of Canadians for their anti-democratic actions, we know differently.

[*English*]

Recent public opinion polls have shown that a strong majority of Canadians support the idea of using UI funds to train unemployed people so that they can find and keep better jobs. Last year, for example, a Decima poll and a study by Environics each found that about two-thirds of Canadians supported our plans to shift UI funds to job training programs. A more recent Decima poll confirmed that degree of support.

[*Translation*]

Canadians want to know that the UI system is being used properly and effectively. Bill C-21 offers proper and effective uses and it builds on our experience with employment programs.

When this government took office in 1984, we looked at the range of programs and services in place to train workers and to support the economic development of communities across this country.

We saw that the old style of job creation and training programs simply did not reflect the needs of a changing economy. Obviously, programs which did not reflect genuine economic needs could not meet the needs of workers who looked to the government for assistance.

Our government recognized this problem and it acted. The result was the Canadian Jobs Strategy, which has been a successful response to the requirement for a modern workforce.

CJS has broken the "makework" stigma of previous programs. It has resulted in success stories all across this country—because those programs reflected real requirements for training and upgrading workers.

CJS marked the creation of a partnership between the private and public sectors to meet labour market challenges.

Still, with experience, it became clear that more could be done and more had to be done.

[*English*]

Something that we concern ourselves about is that worker productivity is one of the basic criteria for competitiveness in the world economy today. I think we would all agree on that in this Chamber. For that reason, it should concern all members of this House that the productivity of Canadian workers has grown much more slowly than that of workers in Japan, Germany and the United Kingdom.

When we recognize that investment in training is a key to increased productivity, we must ask how Canada fares. The sorry fact is that Canadian employers lag behind those in other countries when it comes to training their employees. We have had discussions on what comes from Statistics Canada as to which peoples and numbers are more accurate, the private sector's or ours, but however it is measured, the important point is that Canada is low. That is simply in today's world unacceptable.

The Canadian labour markets needs an active labour market policy, not a passive one, that assists the private sector, workers and employers, to respond to the increasing pace of change in the labour force created by the global economy. An active labour market policy draws on all tools to help workers and employers to adapt to changing situations.

[*Translation*]

On April 11, 1989, I announced plans for just such a policy, the Labour Force Development Strategy. Bill C-21 will give that policy life.

I would like to bring members up-to-date on some of the steps which have been taken so far with the LFDS, and to underline the important work which remains to be done, work which cannot take place until C-21 has been passed.

The Labour Force Development Strategy is made up of a variety of components which build on our experience with training Canadian workers.

• (1540)

The success of CJS partnerships provided a foundation for more significant changes in labour market policy. These changes will assist the Canadian private sector in developing a training culture—an approach which places a real value on improving the skills which workers bring to their jobs.

Members should recognize that this partnership is at the core of LFDS, but until C-21 has been passed by both Houses, we can only take tentative steps.

Some have already been taken. To ensure the success of LFDS, I wanted advice not only from officials but from the people who depend most on the success of our employment policies. I wanted to hear what business and labour had to say, in concrete terms, about labour market needs.

To that end, we sponsored a series of task forces under the auspices of the Canadian Labour Market and Productivity Centre. They have recently completed reviews of many areas of labour market policies, programs and services. They have provided me with valuable advice. But until this bill passes, it can only stay advice. In fact, if the Liberals in the Senate carry out their threats to defeat this bill, then the entire exercise will have been a waste, not just of time and energy, but a waste of the futures of many working Canadians.

[*English*]

Here is the report to which I am referring, full of good recommendations for Canadian workers. We urgently need to implement new programs for Canadian workers. We also need to expand existing programs which have proven their value.

First, we must do more in Canada in the area of human resource planning. Employers used to be able to count on an increasing stream of young workers who could learn simple jobs quickly and who, year after year, came out of school into the labour force. Those days are over. Occupations now require more skills and more training and at the same time the number of young people entering the work force is declining. Employers no longer have the luxury of that broad choice of young people.

Effective human resource planning is a partial answer to those programs. Employers and workers need to know what skills are going to be required and how to prepare themselves accordingly. Our labour force development strategy will provide funding to encourage such planning.

We have already had success with groups in industries such as automotive repair and services, electrical and electronic manufacturing, in helping them to identify the skills that are needed in years to come and to take action to meet those needs. Passage of Bill C-21 will allow us to expand those efforts greatly.

Human resource planning also allows us to address another important issue, something I would think that the NDP also would be particularly interested in, and that is employment equity. Aboriginals, women, disabled Canadians, new Canadians and older workers have been shut out of many skilled jobs. That is wrong from the standpoint of fairness and it is also wrong for Canada economically. Human resource planning, making business and the workplace part of the solution can address this problem and it will ensure that all Canadians have a chance for the good jobs of tomorrow. However, the financial resources which we need to carry out this work are inadequate for the task as long as C-21 remains in limbo.

Another aspect of labour force development would be improvements to entry level training. Increased qualifications for jobs have meant that too many of our young people lack the skills to meet even the most basic requirements of employers today.

Some months ago I announced the Stay-in-School program that will encourage young people to finish their high school education. The LFDS will ensure that students have the basic skills needed to help enter a more complicated job market. For instance, LFDS will allow the government to quadruple its support for co-op education. That has proven to be a valuable program for youth.

We will work with the provinces and territories to improve programs like apprenticeship. Again, those programs need funds and, again, we need Bill C-21 to provide those funds.

[*Translation*]

Third, many members will be aware of the work of Employment and Immigration's Industrial Adjustment Service. Staff from IAS work with employers and workers facing major changes such as large-scale expansions or layoffs.

Through LFDS, we have proposed to double the funds available to this service.

[*English*]

The fourth item, one that is of particular interest to members on all sides of the House in all regions of Canada, is Community Futures. It is one of our most productive tools to assist small and rural communities. In fact, Mr. Speaker, it is one of the most productive tools of any government in the history of Canada. Experience proves that the best economic plans are those that are developed by the people in a community, wherever it may be, and members on all sides of the House have strongly supported and lauded the Community Futures Program. Bill C-21 would provide an additional $50 million for this program for over 200 communities.

I see people in the Chamber today who are looking for assistance for their communities, who have benefited from this program in the past, and, under Bill C-21, who will benefit from it in the future.

In addition to improvements in existing programs, we propose to do much more through the Labour Force Development Strategy to help those who are unemployed. The Unemployment Insurance Program has been in place in Canada for 50 years. But it is no longer enough today just to provide cash to the unemployed. We have to do more. We have to offer these people a way out of unemployment. We have to offer them a better future, more secure and more stable.

So what are we going to do? First, an additional 60,000 people could receive training, in addition to their UI benefits, if Bill C-21 passes. We intend to devote $350 million—are you listening over there?—

An hon. member: Yes.

Mrs. McDougall: —to this training effort. That is $350 million to meet a demand that is evident across the country. Unemployed people have told us through our labour market surveys that they know themselves that they cannot get jobs because they do not have the skills and that they want those skills.

Second, many more Canadians would be able to start their own businesses through the use of UI funds, or to move to areas where jobs are more plentiful. That does

not necessarily mean across the country, but maybe within their own region or province. We have proposed to set aside $45 million for those programs. We cannot act until this bill passes.

On another front, one of the most exciting developments that the government has introduced in job training has been the joint federal-provincial efforts to help social assistance recipients escape from the welfare trap. In towns and cities all across Canada, thousands of men and women have received the help they asked for to learn the skills necessary to improve their lives and the lives of their families in the future by getting themselves out of that welfare system.

• (1550)

The LFDS would allocate an additional $50 million to this program for some of the poorest people in our country. With matching contributions from the Canada Assistance Plan, from the provinces and territories, a total of 200 million new dollars could be right there, ready to go into action on behalf of these people. That money could be at work now if we had moved on this bill. It is not at work now and every day of delay impedes the abilities of Canadians in the most difficult circumstances, to build better lives for themselves and their loved ones.

[*Translation*]

Older workers represent a special case. Most members have been approached by constituents who have lost jobs that they had held for many years. Older workers can face a difficult time finding new jobs for many reasons.

LFDS contains measures which would help these people in addition to the other retraining programs. One hundred million dollars would be available—$100 million—if C-21 were implemented. We could be implementing these programs today. We are not. And every day that we are held back, is another day in which unemployed people are left to live with a situation we all know is unsatisfactory.

[*English*]

Members will be well aware that much of our training activity is done in co-operation with other levels of government. Community colleges and training councils across the country have the expertise so necessary for these programs. In the past, we have developed individual agreements with provinces and territories which respect the interests and the contributions of both parties.

In January, we embarked on negotiations for a new generation of training agreements that will represent what the provinces themselves have accurately described as a new partnership. There is general agreement that the prospects for this partnership are excellent.

However, in the absence of Bill C-21, the resources that we bring to this task will be severely limited. That is why the provinces are anxiously awaiting this bill, so that we can get on with that job.

Since our debate today is a result of the action of Liberal senators, it is worth taking a moment to review what we have agreed to previously. I understand the role of the other place, as we all do. When the Senate sent its first message to the House, the government found some issues to which it was prepared to agree. We agreed to affirm explicitly that basic skills and literacy training could be funded. We felt that that was implicit but agreed to put that in for greater clarity.

We agreed to provide greater detail in the annual developmental uses plan which would show how the government intended to use the money provided under the UI Act, and we agreed that any proposed repeal of the system of UI benefits for self-employed fishermen would require parliamentary approval. We agreed.

Despite our sincere attempts to accommodate the concerns expressed, the Liberals in the Senate have simply chosen, virtually to reiterate all of their original demands.

[*Translation*]

Recommendations 2(a), (b) and (c) in the message would eliminate the government's ability to pay for some types of help to workers from the UI account.

In the bill, this House agreed that it was reasonable to call on the UI fund for certain types of payments—ones which were an investment in people's futures.

We agreed that the cost of training course, the cost of relocating people to areas where their chances of finding work are better, allowing workers to use UI benefits to fund self-employment or for earnings supplements were all appropriate measures.

The Liberals in the Senate disagree. They prefer to see the deficit rise to pay for these improvements.

[*English*]

As a responsible government, we cannot allow that to happen. We believe it is better to use UI funds for this sort of active assistance to help people stay off UI permanently.

It is not only this government that believes in innovative uses. Let me quote the Premier of Newfoundland, Mr. Wells. When we proposed this change, Mr. Wells said: "I must say that I think it indicates that the federal government is going in the right direction—and that is just what I have been asking for."

Members in the House should reflect on Mr. Wells' other comments in which he saw this use of UI as a springboard for economic development. He said: "That is the kind of thing we will be using, what will otherwise be paid out as unemployment insurance to provide meaningful long-term employment."

I do not very often agree with Premier Wells, but I agree with him on this. I would think that people of the same political persuasion might take a look at this. I hope that Premier Wells' province and others will find ways to work with people who want to take advantage of the opportunities that Bill C-21 will provide. But first, we need this bill to become law.

We continue to oppose Recommendations 3(a) and (b). The latter is a minor wording change related to Recommendation 2. The other recommendation, 3(a), seeks to impose a new level of bureaucracy on the process of helping people to take advantage of the new opportunities that Bill C-21 will offer. By creating a complex appeal system on an issue that really does not lend itself to adjudication, precious time and money will be lost.

This recommendation also would prevent the government from designing the special programs needed to help the unemployed which is what this bill is all about. Let me give you an example.

A skilled worker is laid off from the factory where he or she has worked for many years. That worker has never been unemployed before and wants to go back to work. He or she has thought about the possibility of starting a business. The way the law is written right now, if the worker does that, he or she will be cut off from unemployment insurance because the act says that people have to be available for work. Clearly, self-employed people are not available to seek work from other people.

I do not think that my hypothetical worker should have to go through that. I think my worker should have that choice. The government thinks that that is only fair, and we want to have the ability to write special rules for cases like this. If the House accepts Recommendation 3(a), there will be no special rules to help these workers. Bill C-21 will give us that ability.

• (1600)

[*Translation*]

Recommendations 4 (c) and 4 (d) deal with issues on which we have made some concessions to the Senate during our last debate on this subject. We have agreed to provide greater detail in the annual developmental uses plan.

[*English*]

However, we cannot accept the degree of detail that the Liberal Senators have demanded. We cannot take a plan that is intended to be responsive and flexible to changing economic needs and force it into a kind of straitjacket that has been fastened by the people in the other place.

Let me explain that a developmental plan is just that. It is a plan that would be developed months before the fiscal year begins and while one could project probable expenditures by a province, it would be nearly impossible to try and estimate how much would be spent in each town or each economic region.

What the Liberals in the Senate want us to say is: "We're sorry, we would really like to help you, but when we developed our plan last year we did not really know that your main employer was going to require skill training to double his work force or was going to move his plant". That would be the impact of that recommendation.

Under our proposal we would have the ability to move funds to the areas where the needs are the greatest during the fiscal year. That is simply good management.

To do what the Liberals want is to force people and communities to fit our programs. We want programs to fit people. Further, we could never give those same Senators the veto over the developmental uses plan that they demand. They point out that there are precedents for Senate veto and they promised to use it judicially. I

think that members in this House can only reflect on our current debate to question that promise.

With recommendations 5(a) and 5(b) we come to the question of people who quit their jobs without cause and who expect the UI system to support them. More than $1 billion goes to these people annually. Right now they face a disqualification period of between one and six weeks. We are proposing to increase that to seven to 12 weeks and to restrict the amount of benefits they would get when they do become eligible.

We recognize that certain conditions can force people to quit jobs and that is why in the original bill we talked about "without just cause" because the assumption was that there is of course just cause. However, at report stage I accepted the comments made by many witnesses before the legislative committee regarding the need to identify and strengthen what those causes may be and those who quit for reasons such as, for example, sexual harassment, something to which we are very sensitive.

Once again, that had been our intent and we did it for greater clarity. It will protect claimants who had no reasonable choice but to quit. They will not have to serve a disqualification period.

Claimants who do quit jobs without just cause may find another one before the disqualification has been completely served. In those cases, we have proposed to carry over the unserved part of the disqualification to the next claim that the person makes. If the claimant works for 20 weeks we waive the penalty. But if not, we would propose to carry it over for up to six years.

The Senate had asked us in recommendation 5(b) to reduce this to two years and we agreed to this recommendation. We did not agree to it in the previous message because it will have some impact on our ability to fund the Labour Force Development Strategy. I would remind members that every dollar we take off the one side is not available for the other side. But we do recognize the value of compromise and we are committed to some very fundamental principles, but we are not intransigent. For that reason we are going to accept this recommendation.

However, I would like to underscore for this Chamber that in virtually every other country people who quit their job voluntarily never have access to unemployment insurance. We are one of the very few countries that does that at all, for cause or not for cause.

Recommendation six would inhibit our ability to form effective partnerships with other groups interested in training.

In the Labour Force Development Strategy we envision contracts with outside groups to provide training or other services. These are legitimate costs to program administration, as if they were being carried out in Canada Employment Centres. And we believe they should be treated in a similar manner to other administrative costs. Liberal senators think not. They would rather cut the money available for developmental uses by forcing these costs into that budget.

Every dollar for administration is a dollar not spent on training. For that reason, members will understand why this recommendation cannot be accepted by this House.

Recommendation seven is one which attempts to overturn the right of the elected House to set a budget and to act on it.

In recognition of current fiscal realities, we have decided that the federal government cannot continue to contribute to the UI account. We have determined that the people who benefit, whether they are workers who can count on support from UI when they become unemployed—remember it is employed people who pay the premiums—or employers who know that UI can help them keep good workers, can and must pay for the system which provides those benefits.

The Liberals in the other place have said that they do not agree. They believe that spending an additional $1.75 billion a year from general revenues makes sense. They believe that pushing up the deficit to pay for these benefits also makes sense.

It is exactly that kind of financial thinking that got this country into the mess we are trying to clean up. We cannot accept that kind of short-sighted thinking. I would remind them as well that in a way we are talking about the same pocket. Who pays taxes? Businesses and people who are working pay taxes. Who pays premiums for unemployment insurance? Businesses, employers who pay the higher proportion and workers who are employed. We are talking about the same pocket. We are talking about the same people. That is something that this government understands. There is only one taxpayer

out there and he or she pays either way. By doing it this way we do not add to the deficit.

This government was elected in 1984 and again in 1988 largely because Canadians understood which party could be counted on to manage effectively.

I do not have to dwell on the strides this government has made in controlling the growth of public expenditures to bring the deficit in line. However, I should point out to hon. members opposite that they should tell their colleagues in the other place that recommendations like these can only weaken Canada's economy by driving up government spending, or driving up the deficit.

We cannot accept the demand that we spend more, nor can we accept what is a veiled claim to power. As you yourself, Mr. Speaker, stated in your eloquent ruling:

> There are many Canadians—who have no idea whatsoever of the awesome powers which the Senate claims to itself over the elected lower House.

You also noted that the House for many years had defended its rightful role against these claims. Sir Wilfrid Laurier did just that in 1917 and we must do the same today. Some Liberal senators have said the same thing. I quote Senator MacEachen speaking on a borrowing bill in 1985: "I think if we did amend the bill in any serious way, or if we defeated it, I think that would be quite arrogant". Let me quote Senator Frith: "There may be 100 reasons why we should not in the Senate yield to the House and only one reason why we should, and if that one reason is that the Commons is elected and the Senate is not, then that is reason enough to yield". That is what we are talking about here today.

• (1610)

Let me go on to Recommendation eight, which deals with benefits for fishermen. Because of our continued concern about the viability of the fishing industry, our government has taken action on a number of fronts, as we have seen even today. Yet we still see Liberal Senators and other groups spread fear among people for blatantly partisan ends.

Let me state again what I have stated before. Fishermen will not see their benefits disappear. In the interests of conciliation however—and I am a conciliatory person, Mr. Speaker, as I am sure you and many others would acknowledge— we have decided to respond to the Senate's continued concerns about the regulations which govern benefits for self-employed fishermen.

The government is determined to respond constructively to the needs of fishermen, and I say that in all seriousness. We recognize that UI plays an important role in the economies of their communities.

For these reasons, we will amend the bill to ensure that the House of Commons has a full opportunity to review and debate any changes to regulations on fishermen's benefits.

For reasons noted earlier, I cannot, in all good conscience, extend the power to review these regulations to the Senate.

Elected members, and remember that is what we have been talking about today, who are directly accountable for their actions to the people of Canada, are the people who should take those important decisions.

Those who owe their office to appointment, capable as they may be, and I would certainly recognize that there are many capable people in the other place, do not have the same accountability and they cannot be given the same powers.

With Recommendation nine, we return to the fiscal issue that I raised while discussing Recommendation seven. Whether Liberal Senators choose to accept it or not, the fact of the matter is that this government has had to make hard decisions regarding where best to use very limited funds.

Previous Liberal governments, including the one in which Senator MacEachen was Minister of Finance, shrank from those decisions when they had an opportunity to act responsibly.

What was the result? It was a veritable mountain of debt. Yet they lecture this House on fiscal responsibility. We do not find that acceptable. Also, we believe that the cost to UI premium payers for fishing benefits are so small, amounting to a little over 2 cents of every UI dollar, so let us keep this in perspective. Those benefits do not place an unreasonable burden on the UI account.

In summary, for all of the reasons I outlined, we cannot accept the bulk of the message which was sent to us by the other place, although we are sending back some agreement with some of the things that they have suggested in a conciliatory mode.

Too many of the recommendations are based on the notion that the unelected Chamber can order the elected Chamber to make expenditures that the country cannot afford. We have rejected that view consistently in the past and we must reject it now.

Too many other recommendations seek to give the Senate powers it does not warrant in a democratic system of government. Having reviewed the contents of the message from the Senate and remembering the many valuable and necessary initiatives that are contained in the Labour Force Development Strategy, what course of action should the House follow?

Virtually everyone who has commented on this bill has supported the need for more training and more support for a training culture in Canadian business among Canadian workers.

They have been less forthcoming on how these initiatives should be financed. Even this report, which comes up with many recommendations that we are finding very useful, does not come up with an alternative way of financing the system that is going to be acceptable to Canadians. Virtually everyone who has commented on this bill is in the same position.

We believe that modifications to the UI system are an appropriate vehicle for this process. As I pointed out, both workers and employers will benefit from the LFDS, and through unemployment insurance we are asking them to pay for the benefits to which they are entitled. We think those should be good benefits.

As well, we have proposed some changes to the existing range of UI benefits. These will require claimants to work somewhat longer in many areas of the country to be eligible. The duration of benefits will be reduced slightly. Penalties for people who quit their jobs without good reason will be increased.

We have designed these changes with great sensitivity to regional differences. The greatest impact will be in places like Toronto and southern Ontario where unemployment remains low. We have been very careful to minimize the effects of these changes in regions where seasonal employment and historic structural problems have resulted in higher levels of unemployment. On the benefit side, that is where many of the benefits will fall.

Despite the exaggerated claims made by many critics of this bill, I firmly believe that the impact of these changes will be very modest. Certainly, compared with changes made in the late 1970s, they are not onerous. However they will be sufficient to generate the funds necessary for the progress that the LFDS will generate.

It is not sufficient merely to favour training. One must have a clear sense of how to pay for it in a way that is not administratively difficult or too costly. While there have been many suggestions, there has been no consensus on an alternative to the one we have proposed.

There is no time to waste in implementing the LFDS. Each day we continue with this discussion is a day in which our competitors on this continent, in Europe, and in Asia surpass us in their abilities to compete.

The real needs of Canadian working men and women will not be addressed by pretending that nothing has changed and that the same old policies must be maintained, that they are written on some kind of stone tablet. The real needs of the Canadian labour force will not be addressed by pretending that the public sector and the private sector have different agendas.

[*Translation*]

Mr. Speaker, this government introduced Bill C-21 to allow it to make some modest, but needed, changes in its unemployment insurance program and to initiate some major improvements in the development of Canada's labour force. C-21 recognizes that in a world of change, success will go to those countries which adapt best.

[*English*]

The government is determined that Canada will succeed in that new world. This government is equally determined that the Senate is not going to stand in the way of that success. And this government is determined to protect the rights and privileges of members of this Chamber not just on this side of the House but on that side of the House, all the way down both sides. To make the policy and program decisions that this country needs is what we intend to do.

• (1620)

Therefore, I move:

That a message be sent to the Senate to acquaint to Their Honours that this House agrees with amendment 5(b) made by the Senate to Bill C-21, an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act, but continues to disagree with amendments 2(a), (b), and (c), 3(a) and (b), 5(a), 6, 7, and 9, because this House believes that they contradict the principles of the bill and undermine the objectives of the policy;

And that this House considers that some of the aforementioned amendments, by altering the nature of the financial scheme proposed for the Unemployment Insurance system, do infringe the financial initiative of the Crown in a manner at variance with parliamentary practice respecting the Royal Recommendation as it is recognized in citation 596 of Beauchesne's sixth edition, and citation 540 of Beauchesne's Fifth Edition;

And considers, moreover, amendments 7 and 9, which would cause an increase to the budgetary deficit in the order of $1.75 billion annually and thus confound the balance of Ways and Means as approved by this House, to be for that reason in violation of the principle embodied in Sections 53 and 54 of the Constitution Act, 1867, and constitutional practice,

And, therefore, conscious in this of fellowship with its predecessors, reaffirms its sole and undoubted democratic right, which will not in this matter be waived, not only to grant aids and supplies to the Sovereign but to direct, limit and appoint for all such grants their ends, purposes, considerations, conditions, limitations and qualifications, none of which are alterable by the Senate;

[*Translation*]

And that this House agrees with the principles set out in parts of amendments 4(c), (d) and 8, but would propose the following amendments:

Amendment 4(c) be amended to read as follows:

"Add, immediately after line 6 on page 16, the following:

(2.1) In the estimates of the expenditures referred to in subparagraphs 2(a) (i) and (ii), the plan shall include the estimated expenditures to be made in each province."

Amendment 4(d) be amended to read as follows:

"Strike out line 18 on page 16 and substitute the following:

day.

[*English*]

(4) Notwithstanding any other provision of this section, the plan for 1990 shall be laid before Parliament not later than three months after the coming into force of this section."

Amendment 8 be amended to read as follows:

"Strike out lines 1 and 2 on page 33 and substitute the following:

53. Subsections 130(3) and (4) of the said act are repealed and the following substituted therefor:

"(3) The minister shall table any regulation made under subsection (1) in the House of Commons with three sitting days after the day on which it is made.

[*Translation*]

(4) A regulation referred to in subsection (3) shall come into force on the tenth sitting day after the day on which it is tabled, or on any later day that is specified in the regulation, unless a motion to revoke it, signed by not fewer than thirty members of the House of Commons, is filed with the Speaker of the House of Commons before the tenth sitting day.

(5) Where a motion to revoke a regulation is filed with the Speaker of the House of Commons pursuant to subsection (4), it shall be taken up and considered by the House of Commons within five sitting days after the day on which it is filed.

[*English*]

(6) A motion taken up and considered in accordance with subsection (5) shall be taken up after the ordinary hour of daily adjournment, for a period not exceeding four hours and at the end of the debate the Speaker of the House of Commons shall, forthwith, without further debate or amendment, put every question necessary for the disposition of the motion.

(7) Where a motion to revoke a regulation is adopted, the regulation is revoked and where the motion is defeated, the regulation shall come into force on the day after the day on which the motion is defeated or on any later day that is specified in the regulation.

(8) Where Parliament is prorogued or dissolved before a motion to revoke a regulation is disposed of or, if no such motion has been filed, before the end of the period referred to in subsection (4), the regulation is deemed to be revoked.

(9) For the purpose of this section, 'sitting day' means a day on which the House of Commons is sitting."

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, once again we are debating Bill C-21, this Conservative government's bill to cut back massively on our unemployment insurance program by $1.3 billion at a time when we still have over one million unemployed in this country and at a time when the Minister of Finance in his recent budget has predicted an unemployment rate of 8.5 per cent in this year.

The government is proposing these cuts at this particular time when we have such a large number of unemployed. The government intends to implement these cuts of $1.3 billion in our unemployment insurance program by first of all making it more difficult for Canadians to qualify for unemployment insurance by requiring a

longer period of work in order to be eligible for unemployment insurance. By doing that, of course fewer will qualify and the government will save money.

Second, in this bill the government is shortening the benefit period which will be available to unemployed Canadians under the unemployment insurance program. By doing that the government will save money once again.

Third, the government is withdrawing its contribution to the unemployment insurance fund which last year was $2.5 billion. I should point out that since the very beginning of unemployment insurance the unemployment insurance fund has been financed from three sources. It has been financed by workers who, when they are employed, pay a certain percentage each month to the unemployment insurance fund. It is financed, as well, by employers who pay a certain percentage each month to the fund, but it has also been financed by the government.

As I pointed out, in the last fiscal year the contribution was $2.5 billion, and in this bill the government is terminating that contribution to the fund. This means that from now on, if this bill passes, the fund must be totally supported by workers and employers.

Fourth, the government is cutting back on the program by increasing the penalties for people who voluntarily quit their employment, without, in my opinion and in the opinion of many Canadians, adequately considering the reasons for those voluntary quits.

As the minister points out, the government has bent a bit, has made a few amendments to recognize voluntary quits for sexual harassment and so on, but they do not go far enough and the penalty that the government has in place in still too high. As a result of this bill 155,000 Canadians will totally lose their unemployment insurance benefits, that is 155,000 who would have qualified under the present law will lose under this law, and 775,000 will partially lose their benefits.

The impact on our provinces will be severe. For example, according to the impact study of the Canadian Labour Congress—and the government has not presented an impact study to challenge the Canadian Labour Congress study—as a result of this bill Newfoundland will lose $51 million. In other words, $51 million a year that would go into that province will not now go in because of this bill. Prince Edward Island will lose $32 million. Nova Scotia will lose $29 million. New Brunswick will lose $148 million; Quebec, $224 million, and it goes on.

• (1630)

As you can see, those provinces with the highest rates of unemployment will be hit very hard and will lose a lot of money that otherwise would have helped maintain industry, individuals and families in those provinces.

What will be the result of these cutbacks? Through this bill the government is going to make it more difficult to qualify for unemployment insurance. The government is going to shorten the benefit period.

This will mean that there will be people without work who will not have the benefit of unemployment insurance. What will happen to them? Are we going to allow these people to starve? Are we going to force them to soup kitchens? Are we going to force them on bread lines? No, that is not our way.

As a result of this bill and these cutbacks, these people who are unemployed but who will not have unemployment insurance will be forced onto the welfare rolls. Who pays for welfare? In most provinces it is the provincial government. In some provinces, like Ontario and Nova Scotia, I believe, it is the provinces and the municipalities. Somebody will have to take care of these unemployed people but the federal government is shifting the burden from the unemployment insurance system to the welfare system where there are means tests, where the amount of support is lower, and where the province has to pick up the tab.

It is true that provincial welfare systems are financed to approximately 50 per cent by the federal government under the Canada Assistance Plan, but still, that is a cutback by the federal government with respect to assistance for the unemployed.

Many municipalities that appeared before the parliamentary committee pointed out that their welfare bills, as well as the welfare bills of the provinces, will increase considerably if this bill passes because there will be a larger number of unemployed Canadians who will have to live without the help of unemployment insurance.

The minister admits, although she tries to hide it in her rhetoric—and I just listened to her speech—that the government is cutting $1.3 billion from the unemployment insurance fund. She tries to justify this bill by saying that $800 million of those moneys will be redirected to training.

The minister goes on at great length to argue how important training is. She is wasting her breath on us. We agree that training is important. Training is extremely important. We believe in putting large sums of money into training, but we believe in putting it into training as it was always done in this country, and that is out of general tax revenues, not out of the unemployment insurance fund.

The minister and the government members attempt to pretend that we must make a choice in this country between unemployment insurance and training. In other words, if you want to have training, you must cut back on unemployment insurance. If you want higher unemployment insurance, you will have less training. I just heard her a few minutes ago saying that if this bill is not passed, there will not be this kind of training or that kind of training.

That is a false dilemma. That is not the choice that should be put to Canadians. We have always had in this country a strong program of training, but we have also continued to improve our unemployment insurance program.

The government's commitment to training now, with this Bill C-21, is a phoney commitment, and I will demonstrate that. In 1984, when the Conservatives took over the government of this country, the federal training bill was $2.2 billion. Between 1984 and 1989 the government cut that training program by 32 per cent from $2.2 billion to $1.5 billion. It cut training programs by $700 million. This is a government that today would have us believe that training is a most wonderful thing and that it has always been committed to it. That is a phoney position of the government. The only reason it is now trying to put money into training is that it set up this de Grandpré commission to investigate how the government and the country was to deal with the threat of U.S.—Canada free trade on our Canadian workers. In that report Mr. de Grandpré and his commissioners, in several recommendations, said that more money had to be put into training, otherwise jobs would leave Canada and go to the United States, that industries would shift from Canada to the United States.

So all of a sudden the government said: "Gosh, we have done the wrong thing for the last five years. We have been cutting training by 32 per cent, from $2.2 billion to $1.7 billion, by $700 million, and now we have to find money to put more money back into training". The highest priority of this government is not people, but the deficit. It said: "What will we do?" It looked around and found that the only place it could find the money for that was to take it out of the unemployment insurance fund. In other words, the government decided that in order to pay for training it had to reduce the money available to unemployed Canadians, money they need when they are out of work to pay for their groceries, their rent and to send their children school and so on. The government took that money, from a source that was never touched, to use as a principal means of paying for training. That is why we are opposed to the bill and why many Canadians are opposed to the bill.

When the minister stands up in this House and argues passionately for training, that is a phoney and false argument. None of us are opposed to training. What we are opposed to is taking money out of a fund that is supposed to support people when they are unemployed.

I mentioned previously that the government is also cutting its contribution to the unemployment insurance fund. I said that last year that contribution was $2.5 billion. The minister and other members of the government have alleged that the principal purpose of this bill is to shift money into training, by taking those moneys that were paid in premiums by workers and employers and putting them into a fund for training. Why should training only be paid for by workers and employers? On what principle should only workers and employers pay for training that is very much required if we are to have a modern, progressive economy?

We have never said that education should only be paid for by parents and by students. If we were to say that, that would be using a similar argument to that which the government is using. We say that education should be paid for by all taxpayers because education benefits everybody. Education not only benefits the student who studies and the parents who have children in school, it

benefits everybody including parents who have no children, and corporations. By that same principle, training should be paid for by everybody out of general tax revenue and not out of a fund that was contributed to by workers and employers for unemployment insurance benefits.

The unemployment insurance program was established in 1940 following the Great Depression of the 1930s. It was established because it was found to be essential that when the economy went into a slow period there be a means of keeping workers and their families financially soluble so that they could pay for the essentials of life. As I said previously, the purpose of the fund was to make sure that unemployed workers would be able to pay for their food, rent, clothing, transportation to work, their children's schooling and the other essentials of life.

• (1640)

That is what the program has been since the 1940s. In the Great Depression of the 1930s, when we did not have unemployment insurance, workers who were unemployed had to rely on bread lines, soup kitchens and charity. It was thought that never again should we have to rely on that system but that we should have a progressive, substantial and sound unemployment insurance system. Since 1940 we have been improving the system, except now we have a government that is cutting it back.

The government says that this bill is essential because we must develop a better system of training, that we must put more money into training. None of the groups in the country that oppose this bill would oppose more money for training. They all say, as we say, that the money for training should come out of general revenue.

Let me put forward another argument which demonstrates how bad this bill is and why it is wrong to take the money away from unemployed workers to pay for training. In the hearings that we had before the House of Commons parliamentary committee on this bill it was pointed out to us time and again that many of the workers who are unemployed are already trained. They are skilled machinists, skilled electricians, accountants. In other words, they have many skills. The reason for their unemployment is not that they do not have skill, the reasons for their unemployment is that there are no jobs in the place where they live.

Mr. Kempling: You are silly.

Mr. Allmand: The hon. member over there is saying it is silly, Mr. Speaker.

Mr. Kempling: I said you are silly.

Mr. Allmand: That is typical of the attitude of Tories in this country. They would have us believe that all the unemployed in this country have no skills and are not trained and that the solution to their unemployment is simply to give them training and they will have a job. That is total nonsense and anybody who knows this country knows that to be true.

We visited every province of this country and example after example was given to us of the fact that Canada has many resource-based towns. We have many towns and cities that rely on the mining industry, the forest industry, on fishing and farming. When that particular industry goes down, the whole community goes down, and the people who go down in that community for the most part are not untrained. Many of them have very high skills.

The government is suggesting that if we trained all the people in a mining town where there is unemployment, those people will find jobs. That is nonsense, unless they all move away from that community and go to Toronto, Vancouver or Calgary, and even then it is questionable whether they will find jobs. The fact of the matter is that the solution to unemployment in many cases is not more training. Even where the solution is more training, it also requires jobs.

Let us take the example of Canso, Nova Scotia, or Summerside, Prince Edward Island. If we simply retrained the people in those communities and paid no attention to putting jobs into those communities, what good would this new training be to those workers? I suppose the suggestion of Tories would be, again, to move to upper Canada or move away from your own town, your own city, your own province. That is wrong and Canadian after Canadian said it is wrong. That is the message they have been trying to give this government. They are saying that training is a good thing but we should not take the money for training out of the unemployment insurance fund and, in addition, training is not the solution to unemployment. The solution to unemployment is jobs because many of the people who

are unemployed already are trained and even those who are not trained should not be forced to move to another community in order to get a job.

I have referred to this example before but I think it is important to repeat it over and over again. When the House of Commons committee on this bill went to Sudbury, Ontario, it was pointed out to us that in 1982 when we had a recession in this country and, as well, the nickel prices went down considerably, 10,000 people lost their jobs in Sudbury.

Mr. Kempling: Due to a Liberal government.

Mr. Allmand: The member over there says: "Due to a Liberal Government". Mr. Speaker, that is the depth of knowledge of Conservatives. They do not realize that nickel prices are set on a world-wide basis and only to a very small extent are determined here in this country. That demonstrates why the Conservatives are at 15 per cent in the polls. They keep on making those stupid, silly comments. The more they make those stupid, silly comments, the more they go down in the polls. I encourage the member for Burlington to keep it up because if he keeps it up we will keep going up in the polls and they will keep going down.

In any case, Mr. Speaker, in Sudbury 10,000 people were laid off in 1982 due to a drop in nickel prices but because we had a solid, substantial unemployment insurance system those people were able to take care of their families, pay their rent and keep their homes during that period of time. When nickel prices went up again, also under a Liberal government, the town was restored to its economic base and many of those people were taken back on their jobs. The unemployment insurance had sustained the community during that period of time, a community which, for the most part, relies on the mining industry.

One could repeat that example in many other parts of this country, whether the community relies on the automobile industry, the forest industry, the fishing industry, the oil industry or whatever it may be. When the prices go down you have a lot of lay-offs and a lot of hardship, but unemployment insurance sees those people through that hard period.

I was also amused today at how the government and the minister, in this case, says that this bill is necessary because we must take care of the deficit and the way we must take care of the deficit is by paying for training out of the unemployment insurance program. I have to remind the government and the House that the unemployment insurance fund was not in a deficit when the government introduced this bill. As a matter of fact, in 1988, the year before the government introduced this bill, the unemployment insurance fund had a surplus of $2.8 billion.

It is true that the total government funds were in deficit, the country was in deficit, but the unemployment insurance fund had a surplus of $2.8 billion. Of course, that is the reason why the government decided to pay for training out of the unemployment insurance fund. It saw a fund with a surplus and decided to take the surplus away from the unemployed and use it to pay for training. That was a very good objective but the wrong method of carrying it out.

The minister spoke a lot about the role of the Senate. In referring to the amendments proposed by the Senate she said: "We cannot accept the views of an unelected body". In saying that she suggests that the amendments put forward by the Senate were in some way conceived on the floor of the Senate. That is not true. The Senate held quite extensive hearings on this bill and the amendments that it put forward are to a great extent based on the views of those who appeared before it at those hearings. In other words, the amendments put forward by the Senate to this bill are amendments which have broad support in this country. They are not amendments that simply reflect the views of the unelected Senators. In this case, the unelected Senators are better expressing the views and public opinion in this country than is the government.

I must point out that in the hearings that were held by the House of Commons legislative committee on this bill, 157 of the 202 groups appearing before the House of Commons committee opposed this bill. That is an extremely high percentage of groups opposing the bill. The same thing happened in the Senate.

The minister this afternoon tried to give the impression that the premier of Newfoundland favoured this bill. I have not checked with the premier of Newfoundland. It may be that he favours more money for training, but I doubt very much if he favours paying for training out of unemployment insurance moneys. I was with the committee when it was in Newfoundland and not one witness group in Newfoundland supported this bill. I believe it was the same with the Senate. I believe it was the same with the Senate. I can assure this House and

the minister that Newfoundlanders do not support this bill.

• (1650)

In referring to the Senate and the fact that senators are not elected, and to who really represents the people in this country, I have to repeat again that during the election of 1988 this proposal to cut back on unemployment insurance was not part of the Conservative party platform.

As a matter of fact, when the Minister for International Trade was asked in Newfoundland whether there would be any cuts to the unemployment insurance program, he said absolutely not. He went on to say that he spoke to the Prime Minister and the Prime Minister assured him that there would be no changes or cuts to the unemployment insurance program.

Here we have a government which pretends to speak for the Canadian people but a government which did not get a mandate from the Canadian people to make cuts in the unemployment insurance program. One must recall that the government party, the Conservative party at that, only got 48 per cent of the votes of the Canadian people. The two opposition parties combined got 52 per cent of the vote.

I hate repeating this, but since the election the support for the government has declined week after week. As a matter of fact, if it keeps at it, it will be into a negative position very soon. It has dropped from 48 per cent to 15 or 16 per cent in the recent polls.

On the weekend the Prime Minister admitted that it is not over. He is right on there. One of the few times I have agreed with the Prime Minister is when he said that this drop in the polls will continue. It will continue as long as the government insists on putting before Parliament this kind of legislation for which it has no mandate.

If the Senate is so bad in its present form, as the minister and the government members pretend, then why has the government not taken steps to reform it? In the last Parliament, in 1985 or 1986, the Conservative Minister of Justice was quite angry with the Senate and he put a bill before the House to reform the Senate. But that bill sat on the Order Paper and was never moved ahead and when the session ended, the bill died. Instead of reforming the Senate, every time there was a vacancy the government appointed senators, their favourite people.

Some hon. members: You are wrong. You are absolutely wrong.

Mr. Allmand: I am absolutely wrong, they say. I could name a whole list. That is such a ridiculous comment it is not even worth answering.

It is true that the government has not yet filled all the vacancies, but after presenting the bill it did in the last Parliament and not proceeding with that bill, it went on to appoint Conservatives to the Senate. It has not filled all the vacancies, but it did not do one thing to reform the Senate which it now says is so bad.

I have heard some of the Conservative members in their speeches saying that these cut-backs in unemployment insurance are necessary because unemployment insurance is an incentive to laziness, that if you have an unemployment insurance system that really helps the unemployed to pay for their groceries and rent, there will be a tendency for these workers to quit their jobs or not to look for work and to just loaf around all the time.

I have to remind our Conservative friends that we have the same unemployment insurance system right across this country, from Newfoundland to British Columbia, in Ontario and in Prince Edward Island. It is the same program. Yet we have a 4.5 per cent unemployment rate in southern Ontario and a 17 per cent unemployment rate in Newfoundland. Are these Conservatives saying that unemployment insurance is an incentive to laziness in Newfoundland but not in Ontario? Is it an incentive to laziness in Nova Scotia and Cape Breton, but not in Calgary or Vancouver?

If unemployment insurance was an incentive to laziness, it would be an incentive to laziness everywhere. That is a nonsense argument. The answer to that is that some of the most progressive countries with social programs in the world have sound, substantial, unemployment insurance programs. West Germany, Japan, Scandinavian countries, France, and Great Britain all have strong unemployment insurance programs and many of them have very low unemployment rates.

Unemployment insurance is not the cause of unemployment. It is not an incentive to unemployment. People want to work. I referred to Newfoundland where the unemployment rate is around 17 per cent and the real rate is much higher than that. Many people are

forced to leave that province to seek work in other provinces because they want to work so much.

I already referred to this, but we have to remind ourselves over and over again that the economy of Canada is strongly based on resources and seasonal industries. When you have an economy based on resources and seasonal industries, no matter how much you want to work there will be times when you will be unemployed because of world prices for those resources or simply because it is winter.

We had an argument in Prince Edward Island as to whether the fact that a large percentage of the Prince Edward Island economy was based on the tourism industry had anything to do with unemployment in the winter. Well, anybody with any sense would know that there are fewer jobs in Prince Edward Island in the winter than there are in the summer because of the fact that the tourism industry has to close down to a certain extent. It is true that they are trying to get conventions to the island and they are trying to replace the summer tourism with other things, but nevertheless seasonal conditions have a great impact on unemployment in this country.

Although the government has condemned the Senate in this debate, I think we have to be thankful to the Senate because by its persistence the government has finally accepted some of its amendments. If the Senate had not taken the steps that it did, we would not have had the two amendments the government accepted the last time, one having to do with training people who have problems with illiteracy. This time the government has accepted three more amendments.

That is not nearly good enough, but it points to the fact that the sober second thought of the Senate has either forced or convinced the government that certain changes were necessary, and not only were they necessary but they were worth-while amendments. I repeat again that these amendments which the Senate presented were not ones they conceived in their own minds on the floor of the Senate, but were amendments which had been sent to them and suggested to them from all over the country by a large number of groups. As a matter of fact, many of them were similar to amendments we put forward in this Chamber but which were defeated by the large majority of Conservatives on the other side.

In responding to the government's arguments with respect to the Senate, the government keeps alleging that the Senate blocked this bill or that the Senate turned back this bill. The Senate did no such thing. The Senate could have, because there is a Liberal majority, defeated this bill. It did not do that. It did not defeat the bill and it did not delay the bill. As soon as it received the bill and received the message from the House of Commons, it dealt with it immediately in both cases. It had public hearings, it considered the bill. The Senate did not defeat it but made amendments to the bill; amendments which, as I said, were based on wide ranging public opinion in this country, and it sent the bill back. So it did not obstruct or defeat or turn down the bill, but simply attempted to improve the bill.

We in the opposition are willing to support the Senate's amendments, but only as a minimum. We do not think the Senate amendments go far enough. As a matter of fact, our preference was that this bill be totally withdrawn by the government and sent back to the drawing board and that it come up with something much better and much more beneficial for Canadian unemployed.

In the last Parliament the government appointed the Forget Royal Commission to study the unemployment insurance system, a commission that cost $18 million. The commission sat for more than a year and presented a report with recommendations. The government did nothing with those recommendations. These changes in Bill C-21 do not reflect the suggestions made by Mr. Forget and his commission. This is not to say that we the Liberal opposition agreed with all of Mr. Forget's proposals. We did not. The fact of the matter is that the government did not accept any of his suggestions either and Bill C-21 is contrary, as a matter of fact, to many of the recommendations made by the Forget Commission.

• (1700)

Furthermore, in the last Parliament, the Standing Committee on Labour, Employment and Immigration studied the Forget Commission report and the unemployment insurance system and we made 71 recommendations for improvement and change in the unemployment insurance system. It was a unanimous report on all but two recommendations. It was a unanimous report on 68 recommendations by a committee with a Conservative majority and the government has not implemented any of those recommendations or suggestions. It ignored a royal commission that it set up,

it ignored a House of Commons committee where it had the majority of members, and it is proceeding with a bill which is opposed by social, religious, and trade union groups all over the country.

The purpose of this bill is not to help the unemployed or to reform the unemployment insurance system. The real purpose of this bill is to help the government deal with its deficit and also to harmonize its social programs with the United States as result of the free trade agreement.

In the United States, where unemployment insurance is a state matter, a state responsibility, the total amount spent on unemployment insurance is $13 billion. That is the same amount that is spent in Canada.

It is very significant that many of the changes that the government has in this bill are similar to provisions contained in the the American unemployment insurance laws. One has to admit that there are some states which have a fairly sound and substantial unemployment insurance system, but there are other states where it is a scandal for a modern, progressive country, where unemployed people must still rely on relief and charity.

The purpose of this bill is not to help the unemployed. It is not to reform the unemployment insurance system. It is not really to deal with training because, if the government really believed in training, it would not have cut the training program by 32 per cent between 1984 and 1988. The real purpose is to deal with the deficit and to harmonize our social programs with those of the United States.

In conclusion, we are willing to support, as a minimum, the amendments suggested by the Senate, but we really do not think that is the solution to the problem of the unemployed in this country. The solution is, of course, training, but it is also jobs, economic development, regional development and a better and more substantial unemployment insurance system because, no matter what, when people are without work they have to pay for the essentials of life.

This afternoon I have tried to deal with some of what I consider to be ridiculous nonsense arguments put forward by the minister. I did not deal with the questions of procedure or constitutionality with respect to the Senate. Our House Leader will deal with those arguments in due course.

I urge the government to listen to the people of this country. At the present time, the views of the people of this country are being expressed through the Senate and, I say, thank God for the Senate.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I listened with interest to the many points made by my hon. friend who has just spoken. He raised some very good points.

In general, we have to be very cautious as to what is occurring in the House at this moment. I think we could make the case that we are actually in the middle of a major battle, a battle between this House and the Senate, a battle between the Prime Minister's and Privy Council offices and the duly elected members of this House, and a battle between the government and Canadian workers. I think it is fair to say that there have been a lot of casualties in these battles. We do not have many foreign correspondents in the gallery or the International Red Cross, but I think we can still make the case that casualties abound.

At the top of the list in terms of casualties on this battleground is the delicate balance of our parliamentary democracy. Tragic casualties in this process has been the balance between the rights of the majority to govern and the rights of the minority to be heard, and the balance between the responsibilities of both Chambers in this Parliament to protect and to provide a democratic legislative base.

Today, I listened with interest to the minister responsible for this legislation as she pretended to defend democracy. She read part of the motion that the government has brought forward which, once again, introduces a form of closure on debating further regulations regarding people in the fishing industry. To agree to the motion would be to agree to a form of closure in terms of debate in the House in future years. That is not what democracy is all about.

The government is asking us to agree to a motion today that asserts that only the elected House has the right to study meaningfully money bills. It is asking us to defend the rights of the elected members of this House. Yet, it is this government that has done more than

people could ever have imagined to diminish the rights of these same elected members time and time again.

I only have to think of those two Conservative members from Alberta who decided to do the democratic thing and represent their constituents on this important economic matter. It was not a moral issue, because I think we all recognize that, when it comes to moral issues, people ought to have the right to express freely their moral position on issues. However, when it comes to economic matters or government policy regarding taxation, surely, members of Parliament have some obligation to represent the views of their constituents.

When the member from Edmonton and the member from Calgary asked their constituents what they felt they should do in terms of the goods and services tax, 70, 80, or 85 per cent of their constituents said that they should stop the tax dead in its tracks. So, they spoke out against the tax. They said that they could not support a tax opposed by almost everybody in their constituency, everybody they knew in the country, and most Canadians by far. They could not go ahead and pass it.

What did the government do? The government that is now arguing that we must listen to the democratic voices speaking in the country and that we must emphasize the democratic basis of this institution? It kicked those members out of the caucus. They do not sit over there any more. The Prime Minister said: "You cannot represent your constituents. We do not want anything to do with democracy in this party. You are out. I do not want to see you again." So they sit with members of the opposition.

Here is the minister, shedding crocodile tears, on bended knee, pleading for democracy, when in her own caucus she supports the most undemocratic act we have seen in years.

The elected members on this side of the House, and Canadians, will not be deceived by this particular request. We know that the motion before us today will do absolutely nothing to revive or restore the health of parliamentary democracy in the country. We have seen what the government has done since it has come to office in terms of eroding what we have come to know as parliamentary democracy, our parliamentary system.

This motion will not restore the privileges of elected members to represent freely and openly their constituents' interests, unfettered by threats of closure and time allocation. We have seen something historically never witnessed before in the House. Since the last federal election, the government has threatened the House in terms of using some form of closure on legislation, on average, every eight days that the House has sat. Every eight days closure has been threatened when it is averaged out over the entire term.

• (1710)

This motion will not restore the privileges of elected members by the dictatorial rulings of certain committee chairs. A committee chairman is sitting here today. There have been dictatorial rulings. It is not going to change that.

This motion will not restore the privileges of elected members of the House to have the opportunity to present petitions and bills on behalf of their constituents during Routine Proceedings. Day after day we have seen the government curtail Routine Proceedings. Those of us who have stacks of petitions to present on the goods and services tax are denied that right. Elected members cannot present their petitions. This government, the most undemocratic government the country has ever witnessed, has the gall to plead for democratic understanding.

The motion before us will not make this government responsible to this House of elected members. It will not make the government come to this House to announce to elected representatives its new programs and policies.

Do you remember, Mr. Speaker, when the government decided it was going to introduce what it thought was a great environmental plan, The Green Plan? Did it introduce it in the House of Commons, before the duly-elected members representing the people of Canada? No, it was done at a press conference some place.

It will not make the government fulfil its moral responsibility to come to the House and implement policy by legislation, instead of by administrative fiat and regulatory change, as it did when it slashed VIA Rail from existence. Was that done in the House of Commons? No, that was done in secret. It was the same kind of secrecy when the government said that it did not like the priest who was standing outside the House. It did not like the fact that some protesters were out there calling

government members to task. In secret, it passed legislation prohibiting a priest from standing outside the House. That is not democracy. That is undemocratic. That is why this government has the audacity to stand—

Some hon. members: Oh, oh!

Mr. Kempling: You were on the Board of Internal Economy. Why didn't you speak up?

The Acting Speaker (Mr. Paproski): The hon. member for Kamloops has the floor.

Mr. Riis: Mr. Speaker, it seems that I have touched a nerve. The government does not seem to want to be reminded of the fact that while it pleads today for democracy—

Mr. Kempling: If you would only tell the truth.

Mr. Riis: May I suggest to my hon. friend from Burlington to get a dictionary and look up the term "democracy".

Mr. Kempling: Look up the term "truth".

Mr. Riis: I suspect that the only terms he recognizes are "totalitarian" or "dictatorship". Those are his favourite words because that is certainly what he practises.

This motion before us will not restore the confidence of Canadians in our parliamentary system. How could that confidence be restored when the government has ignored the pleas of Canadians to reduce interest rates? It totally ignores those calls. People are saying: "Reduce interest rates." Financiers are saying: "Reduce interest rates." Does the government listen? No, it knows best. Big government and big brother knows best.

How could the confidence in the government be restored when it has ignored the pleas of Canadians to provide leadership on the environment? When it has ignored the pleas to withdraw regressive tax programs? And when it has ignored the pleas from fishermen, farmers and those living in the regions of Canada?

The motion before us will do nothing to restore the trust that Canadians once had in their government. I must say that it is no coincidence that since the government launched its offences against parliamentary democracy, there has been a tragic increase in intolerance, bitterness and cynicism toward government in the country. It is as though the people have lost faith in their government.

Today's skirmish is against the Senate. I want to refer to the Senate, not to the other place. Let us call a spade a spade. We are talking about an impasse with the Senate. The message before us a missile against the Senate. The Prime Minister and the rest of his war room are trying to remove the rights of the Senate to oppose, to amend, or to improve legislation, just as they have removed the rights of elected members in the House of Commons.

Unfortunately, there are many civilian casualties in this battle, including thousands of Canadians in depressed regions who for four months have been deprived of unemployment insurance benefits to which they are entitled, because the government has repeatedly refused to separate the variable entrance rate component of this legislation and give it the rapid passage that we have offered. They would rather see Canadian workers in the maritimes, rural Canada, and in the west and north live in poverty than admit that the Senate has the constitutional right to study Bill C-21.

Other casualties include Canadian mothers whose rights to maternity benefit equalities were fought for in the courts and were won. These rights are now held hostage in the battle over cuts to unemployment insurance that have nothing to do with maternity benefits.

I ask the members opposite to lay down their arms for a brief while during this debate and take the opportunity to reflect on how we arrived at this very unhappy situation. If you look back over the last year and a half, Mr. Speaker, you will see a number of events that lead us to today's debate. In the cold autumn of 1988 the Conservatives took the country to the polls on an election that became a one issue campaign, free trade. Most Canadians were opposed to free trade on November 21. Some New Democrats say that is why the government lost the moral right to impose the trade deal. The view of democracy did not suit this Prime Minister and free trade was forced through the House in unprecedented time through the use of closure at every single stage.

I acknowledge that many Canadians voted for the free trade agreement, but they did so believing that they had a commitment from the Conservatives to provide training and adjustment programs. They trusted that the government would assist those who would inevitably lose their jobs as a result of this realignment of our economy.

Some Canadians voted for free trade believing promises that the Conservatives stated again and again; that our social programs would not be affected, that they would not be harmonized with the harsher, stingier programs offered to American workers.

Five months after the Conservatives were democratically elected to fulfil these commitments they instead turned against Canadian democracy. They did so by abrogating their election commitment to training programs and introduced Bill C-21, which is what we are talking about today, which removes any federal government contribution to training.

Think of the federal dollars that go into assisting lawyers to be trained. Thousands and thousands of dollars from the general treasury go to help lawyers get training. Why not the same for machinists? Why treat certain kinds of people differently in terms of the training and education they receive?

The government also turned against Canadian democracy by abrogating its election commitment to maintain social programs, by introducing Bill C-21, which harmonizes our unemployment insurance program more closely with that of the United States program.

It also denies the government's responsibility to help unemployed Canadians, even though they lost their jobs as a result of the government policy to push consumer interest rates up past 15 per cent and unemployment to more than a million people, to say nothing about the cuts to student programs for the summer. Many students are trying to earn money for their own education and training options.

Bill C-21 is a massive policy change in that it destroys an institutionalized and complexly woven social security net in our country. No attempt was ever made to hide the fact that the Conservatives planned for months before the election to destroy this program and some suggest it might have even been part of the discussions around the free trade deal.

Was it a democratic act to make specific commitments during an election campaign and then introduce a long-planned strategy that was the very opposite of those commitments? Obviously not. Was it not an act against democracy when the government forced closure after only five hours of debate on this very sinister legislation? Was it a service to free and open democracy to severely restrict hearings on this bill? Was democracy helped when almost one-third of those groups who wished to appear were denied an opportunity to express their concerns, or when the testimony, including cross-examination, was restricted to less than half an hour? Was it remotely democratic to listen to witnesses and then ignore their testimony? The vast majority, 157 of 202 witnesses strongly opposed this bill, yet their opinions counted for nothing.

When the minister of the Crown responsible for the bill finally appeared before the committee, was it a democratic act to give members of this House less than one hour of questioning time with the minister? Were the democratic privileges of this House and the rights of its members aided when time allocation was imposed at both report stage and third reading stage? No, they were not. Was it a democratic act when members were denied even the opportunity to explain the proposed amendments and present short arguments as to why they should be adopted?

• (1720)

It was an affront to democracy for the government to blithely ignore the mandate it was given to provide training programs and to protect social programs. I suggest that it was an affront to parliamentary democracy for the government to blithely ignore the rights of members to debate the principles of the bill, to engage in meaningful committee review, and to offer proposed changes.

I must say that Canadians knew what was going on. They saw the House was being denied its historic rights in a free and democratic society. They saw the rubber stamp that has now become a symbol of Conservative democracy. They then turned to the Senate. I know many Canadian political activists were surprised to find themselves knocking on the Senate door asking Senators to do the work that members of the House had been prevented from doing. I know many people had to re-examine their view of the Senate. New Democrats were among those who looked again at the role of the Senate.

New Democrats watched intently the assault on democracy which took place last year. We exercised our democratic rights within our own party and voted at our December convention to change our party policy on the Senate. Whereas once we were satisfied that the Senate had to be abolished, and that was it, we are now in the process of looking at a variety of options to provide and promote better regional representation in the Parliament of Canada, including but not limited to, proportional representation, an elected Senate, and other options.

New Democrats who voted for that position are ordinary Canadians who were looking at what this government has done to parliamentary democracy in our country, Canadians who want protection from the kind of totalitarian behaviour we have seen with this Conservative government.

New Democrats were among those who went to the Senate and requested that it block the imposition of Bill C-21. Through their labour councils, social councils, churches and women's groups, they asked the Senate to protect the unemployment insurance program that their fathers and mothers and fellow social democrats had fought so hard to establish. These ordinary New Democrats and ordinary Canadians generally, told the Senate of the importance of maintaining a healthy unemployment insurance program, of the need for government to play a role in training programs, of the responsibility of government toward unemployed workers.

Unfortunately, the Senate is not full of ordinary New Democrats or ordinary Canadians. It obviously did not understand the arguments that were put before it. Instead of amending Bill C-21 in a way which would ensure the integrity of our Canadian unemployment insurance plan, the Senate offered a few minor improvements to a very bad piece of legislation.

I remember seeing Liberal Senators on television with tears in their eyes, who were so emotional at the stories they were hearing that they could not speak. Did they really do anything to change that bill? Did they stop the legislation? Did they suggest major changes? No. Did they answer the call when witness after witness came to them and pleaded for the same changes to Bill C-21? Surely not. No witness asked for the version of Bill C-21 which the Senate voted to send back to this House. It is not surprising to me that the Senate failed the test put to it by those Canadian individuals and groups which came to it, cap in hand.

The point I want to make is that the Senate failed Canadians. When Canadians made their case before the Senate committee hearings, obviously the Senate did not hear those cases. They ignored the pleas being put forward by individuals and groups across the country.

I do not know that we should be surprised at that. When you look at the Senate, as it will be at least until June 23, it was the Liberals who five times between 1975 and 1985 cut back the unemployment insurance program. The Liberals cut back on benefit levels. The Liberals abruptly changed entrance requirements. The Liberals removed the federal responsibility for unemployment insurance, except for regionally extended benefits. The Liberals developed the policy now implemented by the Conservative government that high unemployment is an acceptable price for stabilized prices.

Clearly, the Liberal Senators were not interested in helping Canadian workers. Liberal Senators were not interested in protecting a program which had been so undemocratically removed. Clearly, they were taking Canadians down the Senate path, promising hearings, hinting at a meaningful review, but in the end doing virtually nothing.

All along, the Liberal Senate only seemed to be interested in a showdown with the House of Commons. It chose to hold this showdown over a few relatively insignificant improvements to a very flawed bill. So we are back to the old battle between this House and the Senate. The debate today on this government's motion which states that the Senate has no right to improve money bills—

The Acting Speaker (Mr. Paproski): Under Standing Order 43, the first two speakers have unlimited time with no questions or comments, but the third speaker has 20 minutes plus questions and comments. I must have unanimous consent to allow the hon. member to carry on after 20 minutes. Do I have unanimous consent?

Some hon. members: No.

The Acting Speaker (Mr. Paproski): On questions or comments, the hon. member for Prince George—Bulkley Valley.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I appreciate the comments made by our House leader and member for Kamloops on this legislation. It is a regressive bill. I think the member put some of the points very clearly concerning the situation in which government has placed us.

Given the large number of inquiries we have had in our offices from people who are concerned about this legislation and other employment matters, what advice does he have for us to give to our constituents in terms of a message that we can bring to the government? If we can get the Liberals to support us in this cause to fight this legislation, where can we go from here?

Mr. Riis: Mr. Speaker, one thing that has become clear in the message we can deliver to our constituents and to the people of Canada is that a battle is taking place between the House of Commons and the Senate. It is a war, but it is an absolutely phoney war. The Liberal Senators gave the impression that they cared about unemployment insurance legislation changes. As I said, there were tears in their eyes. They could not speak at press conferences. They were moved. It was phoney. I am not saying that individuals were phoney, but when it came down to the crunch, did they change the legislation significantly in light of the material before them? Absolutely not.

Did the Senate stop this regressive legislation? No, they did not. They made a few minor changes, but I think that way down deep the Liberals in the Senate want to pass this legislation. It will pass. We will send it back now and Allan MacEachen will say, "They agreed on a couple of our amendments, now it is time to pass it".

Let us be careful when we see these people standing up and fighting against the changes to the UI legislation. If the amendments sent back are the Senate's idea of what this legislation should look like, it is pathetic. It is disgraceful. That is why I call it a phoney war. The Liberals in the Senate are playing games. While they were called upon by witness after witness to stop the legislation, they did not have the courage to do so.

The Acting Speaker (Mr. Paproski): Are there any further questions and comments? The hon. member for Kingston and the Islands.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I was amused, to put it mildly, to hear the hon. member for Kamloops try to express his party's repentance on the Senate, saying like St. Paul on the Road to Damascus that they had seen the light and decided that the Senate, after all, was a worth-while institution, that they were no longer in favour of abolition, particularly when it is dominated by members of our party whom he knows are such staunch defenders of the common person in Canada, the ordinary Canadian.

Hon. members in the New Democratic Party laugh, but they know that in the long history of Canadian parliamentary tradition, the New Democratic Party has never been able to do anything to successfully defend the average Canadian. The defence has been provided by this party. The hon. member for Kamloops knows that. I can see that even as he looks, he knows that what I am saying is correct. What he would really like to do—and I suggest some of his colleagues would like to do it—is take advantage of the great Liberal majority in the Senate and have that Liberal majority do the work that we as an opposition in this House are unable to do because of numbers and because of the rule of majority votes in this House.

• (1730)

Having said that and having done our duty as best we can, the two parties, our party and the New Democratic Party, have worked assiduously to fight this legislation from the day it was introduced. What he is now saying is: "We in the New Democratic Party have changed our view on the Senate and we no longer think it should be abolished. However we wanted to stop this legislation. We now want this non-democratic, unelected Senate to go the full length and stop this bill."

The member did not say that but that is what he is implying. What he is saying, on the other hand, is they did not do enough damage to this bill to make it worth while. I do not understand it. They have improved the bill. The government itself says that the cost of these Senate improvements is $1.75 billion. That is the cost of the improvements the Senate has made to this bill.

The hon. member for Kamloops is on the one hand saying that these improvements are not good enough because they do not do everything they should do. On

the other hand he is saying that this group of unelected people in the other House should can this bill entirely.

But he does not quite say that. Now which is it? Does he want the Senate as an unelected body to block the will of the majority of the House of Commons? Or, is he prepared to make a compromise, which we in the Liberal Party are prepared to do in this case, settle for less than perfection but fix the bill to some extent so the government does not run roughshod over the workers of this country as it is doing with this bill now.

We agree that the government is wrong. We agree that Bill C-21 is a flawed bill. It should never have been introduced in this House.

An hon. member: You supported the bill.

Mr. Milliken: We did not support the bill. The hon. member says that we supported the bill. He should look at the record. We have opposed this bill at every stage just as he has. I am not suggesting for a moment that the New Democratic Party has not been good in opposition. Heaven knows it has been in opposition long enough to be very good at it.

The fact is that we have opposed this bill and the senators have opposed this bill. Instead of stopping it because a group of appointed people feel it is not in their power to stop it and instead of exercising that right, they have changed and improved it.

It is not as good as it should be. It is not as good as the old law that was introduced by a Liberal government, I might point out. But it is better than what we got with Bill C-21 that this bunch of penny-pinching Conservatives introduced.

All I can say to the hon. member for Kamloops is: why will he not defend the Senate and say what a great job it is really doing for Canada and praise the Liberal senators and say that we want to support those senators in their efforts to defy the will of this government which is so wrong.

Mr. Riis: Mr. Speaker, it is interesting to note a slight hint of hypocrisy in the air. Every Wednesday morning when the Conservatives have their caucus meeting, all of the Tory senators are attending the meeting. When the Liberals have their caucus meeting and take positions on legislation, all of their Liberal senators are part of their caucus. They are part of the Liberal Party; they are part of the Liberal caucus. I made the assumption that when Liberals stood in the House day after day, individuals from all parts of Canada, the spokespersons, and in a very eloquent way said "we Liberals oppose the legislation" they included the senators as well. I thought it included senators, not just the folks here.

I guess I made an error in judgment. I thought when Liberals said that they opposed something they meant as a Liberal Party, not just a few folks here and there. Maybe some do; maybe some don't. I made the assumption that Allan MacEachen and the Liberal majority in the Senate also opposed the bill. When it came back, they said: "We agree with it in principle". First of all it was second reading.

An hon. member: They had to.

Mr. Riis: "They had to", my hon. friend says. Is there some law requiring that? I challenge my hon. friend from Kingston and the Islands who is very knowledgeable on constitutional matters particularly when it comes to the Senate and the House of Commons. Does my hon. friend from Kingston and the Islands have a shred of evidence that says that the Senate of Canada does not have the authority to stop this legislation if it wanted to keep its promise to the people of Canada?

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. On debate, the hon. Minister for Science.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I am delighted today to rise and make clear to this House my support for the motion of my colleague, the Minister of Employment and Immigration.

Mr. Milliken: Cabinet solidarity forever.

Mr. Winegard: The motion before this House contains two important themes, and I would like to speak to both of them. The first is the need to assert the legitimate rights and privileges of this House, those rights and privileges that are under attack by Liberal senators for blatantly partisan purposes.

Mrs. Maheu: Abolish the Senate if you don't like it.

Mr. Winegard: The second is to reaffirm our support for the many improvements to the Unemployment Insurance Act and to programs designed to help Canadian workers.

Let me touch on the first of these themes. In 1984 and again in 1988 the people of my riding had a full slate of candidates from which to choose.

Mr. Volpe: Did they make a mistake?

Mr. Winegard: Those candidates represented various parties and perspectives on the way in which this country should be governed. Voters had a choice. On both occasions they gave me the privilege of representing them.

That privilege is one that I do not take lightly either as a member of this House or as a minister. Every decision I make, I make knowing that my government and I personally will be held accountable during the next election.

Mr. Milliken: They're getting their boots polished now.

Mr. Lewis: Bear with us.

Mr. Milliken: We have to.

Mr. Winegard: I understand and believe in that system. It is democracy. If the voters some day decide that someone else with different views should represent them, I accept that too. But in the meantime it is my obligation to accept the consequences of government policy and my own personal voting and comments on these issues.

I think I am speaking for most members of this House. We owe our places here to democratic decisions made by millions of people across Canada.

Mrs. Maheu: If you don't like the Senate, get rid of it.

Mr. Winegard: We all know that we will be called upon to defend the policies that we promote or, indeed, the policies that we do not promote. When the next election takes place the people will have an opportunity to judge once again.

An hon. member: They will.

Mr. Fisher: Bye-bye.

Mr. Winegard: I heard that bye-bye in 1988, Mr. Speaker; a lot of people who said it are not here any more.

But now we have a new and I think rather unsettling influence in the total process. We have senators claiming the same rights as members of Parliament. As elected, not appointed, members we have been given a mandate to govern by the people of Canada. It is in this elected Chamber that the force of public opinion can be brought to bear. It is here that pubic opinion receives its true reflection because we are elected and we can be re-elected or thrown out.

Mrs. Maheu: You're at 15 per cent.

Mr. Winegard: Therefore, our rights and privileges to govern must be defended as a group not just because we are on one side or another of a particular issue. They must be defended especially when we are looking at money bills. That is surely a basic issue in parliamentary democracy.

To accept the Senate's claim to power is to establish in money bill situations a very dangerous precedent. Members are well aware of the guidance we all take in this Chamber from precedents established over many years of responsible government. Senators, in seeking to expand their own power, can do so only at the expense of elected members and the government.

• (1740)

Regardless of our personal or party views, can anyone really support the intrusion of appointed senators into decisions regarding expenditures?

Mr. Milliken: They are but the sole defender against the tyranny of the majority.

Mr. Winegard: Can anyone really ignore the precedent? Will all the interest groups who suddenly have decided that Liberal senators are their champions believe the Senate could not use those same new-found powers to attack legislation which those interest groups might support sometimes?

This is an illustration where interest groups are saying the end will justify the means. That has always been a very dangerous precedent for democracy. It remains one. For us it is not a question of expediency; it is a question of who has the moral authority to set a budget and determine expenditures. That is the House of Commons. We were elected to govern. We accept the accountability that goes with that, and that is the issue, Sir: accountability.

How could anyone in this House defend the action by the Senate except on the grounds that it meets their particular needs today? Nothing could be more dangerous to our system of democratic government.

Mr. Boudria: Who wrote that for you?

Mr. Winegard: Isn't it marvellous? Because they do not wish to write their own speeches about democracy, they do not believe that anybody else in this House can do it.

Mrs. Maheu: We feel we don't have to talk about it.

Mr. Winegard: I think members of this House, including those on the other side, owe it to the people of Canada to resolve this issue in a manner which builds upon our system of government, our parliamentary system.

It is in that sense that we as a government have agreed to some changes in the bill. We want this to be passed.

Ms. Clancy: We know.

Mr. Winegard: We think that the spirit of compromise we have shown by assenting to some of the recommendations coming from the other place should help move this through.

Ms. Clancy: An hour late and a dollar short.

Mr. Winegard: During the last debate on this issue this House agreed to include basic skills and literacy training among the many types of training offered using unemployment insurance funds.

We agreed to provide greater detail and annual development uses, all those plans which would show how the government intended to use the money provided under the UI Act.

Finally, we agreed that any proposed repeal of the system of UI benefits for self-employed fishermen would require parliamentary approval.

With the motion before us now we have decided to strengthen our commitments made during the last debate and make additional changes to the legislation.

In particular, as members of this House know, we have agreed to change an aspect of the rules affecting people who quit their jobs without just cause.

The Senate asked for lighter penalties for those people. It stated that we were being too hard on those people who quit, that they should not have to wait as long for UI benefits. It asked for change in two areas and we have agreed to one, because this is a compromise that does not weaken our emphasis on workers who quit jobs, an important principle behind this whole bill. We also understand, even if we do not share, the Senate's concerns regarding fishermen's benefits. These benefits are safe.

As I noted, the government has already agreed to eliminate a provision in the current Unemployment Insurance Act which would have allowed a government to eliminate these benefits by proclamation. This provision was originally placed there by a Liberal regime.

The government, in this motion, has modified Senate recommendation 8 to provide for a formal review process for any proposed changes to UI regulations pertaining to fishing benefits. We can agree that such a review is appropriate, but we firmly believe that this review process must be conducted in the House of Commons, and not in the Senate.

The government has made these concessions in a spirit of conciliation. We have not asked for, nor provoked, the current situation. It is disappointing that it is only this House and this government which has shown a willingness to compromise on this bill. We cannot go further without making fundamental changes which would undermine the basic principles of the bill that we originally brought forward.

One of those basic principles forms the second theme in this debate, the need to support and reaffirm our concept that the benefits that will flow from this bill will flow for training and for workers.

Bill C-21 will allow the government to implement the labour force development strategy, which provides many improvements to Canada's labour market polices and to its unemployment insurance program. These improvements are part of a well planned strategy to meet the challenges of a world economy which is being driven by scientific and technological change. Mr. Speaker, we cannot stand still.

Advances in science and technology have affected an extremely wide range of jobs. Let us use one simple example. Consider the impact of computers whether it be in the factory, in the store, on the farm or anywhere. Not only do they affect the way jobs are done, but they affect the skills that are required to do those jobs. That is the reason why no one argues about the importance of training and education.

Last year, the Conference Board of Canada found that two out of every three Canadian firms reported difficulties with employees who were illiterate and unable to carry out their assigned work. In fact, half of all Cana-

dian firms have trouble finding workers with the appropriate skills.

Someone has said that the economic race between industrialized nations is a competition not between industries but between various educational systems. To make use of modern technology, as we must do, requires a modern, trained workforce. We need to have it built on a solid educational system linked with training and development that will meet the changing needs as they arise.

We will have to improve the training available to our workers. Otherwise, we will not be able to generate the kind of wealth that this country needs, if we are going to have the programs that Canadians want. Surely by now, we recognize that most of that training will have to be done by the private sector.

Employers benefit greatly from a well trained staff. They have the responsibility to train their employees, and to ensure that the skills are kept current. While we apparently understand that, it is generally agreed the one area which Canada must improve is industrial private sector training.

• (1750)

We, in government, believe it is necessary to promote a training culture in Canadian business. We know that the private sector must do its share in bringing about the kinds of skills development on which it all depends.

One major goal of the labour force development strategy is to bring the training efforts of our own private sector up to levels which match those of other countries. The bill now before us is directly related to that goal. It will make $230 million available to increase training by the private sector, where it needs to be. That money will be invested in projects which will, in turn, trigger even more investment by the private sector.

We believe the labour force development strategy can help lead to a $1.5 billion additional expenditure by the private sector over the next four years. At that level, which we are trying to achieve, on a per capita basis the private sector training in Canada will just match that of the United States. For that to happen a strategy is necessary. That is why we introduced Bill C-21 in the first place.

In a very real sense, what we have before us is enabling legislation. Changing the Unemployment Insurance Act is only a part of what we have to do. In making the changes we are talking about, it provides both the legislative basis and the financial means to pursue one of the most critical goals facing any nation today, the development of a work-force which will remain competitive in world markets and ensure prosperity at home.

This legislation is a kind of ignition key for the labour force strategy. It will address some of our most pressing problems. We have a mandate in this Parliament, as in any Parliament, to improve training and adjustment programs to bring about better training and a fairer system of unemployment insurance.

Let me remind the House that Bill C-21 will increase the federal funding available for labour force development by some 45 per cent. That is one of the purposes. Without this support, tens of thousands of Canadians may not receive the assistance and training they need to change and adapt to a new labour market and will not become productive members of that labour market.

The labour force strategy is also designed to reach those Canadian workers who most need assistance. It is about the young, the 30 per cent who have dropped out of school, who need access to better entry level type jobs. It is about women, native people, visible minorities, and the disabled, all of those who can benefit from inclusion in an equitable human resource planning concept. It is about older Canadians who need training to cope with changing job demands. They are not getting enough training now. We have to make some changes in direction. I think the strategy will clear away some obstacles. We need human resource planning, more co-operative education, and better and more apprenticeship training.

The successful nation has to have significant training opportunities for its youth, the elderly and for those people who are going to change their jobs several times during their lifetime. We have to be part of that changing work-force strategy. We think a more focused training and career development program can help unleash a great untapped pool of talent and skill, but it can only happen if we are prepared to plan for and work towards it.

We know there is a need to build organizations involved in training; business associations, unions, vocational schools, colleges and others. We need to plan together at various levels so that we can adjust our market forces, let people have the training they need to be useful members and have the pride of having a good and valuable job. That is why I support this legislation. I want that kind of opportunity for the people of this country.

Ms. Mary Clancy (Halifax): Mr. Speaker, when the minister talks about training, training programs and how this bill will be beneficial, I want to bring up a specific example that has been brought up many times before by people on this side of the House. I bring up the example of Lockeport, Nova Scotia.

Lockeport, Nova Scotia is a one industry town, and the industry is gone. The fish plant is closed. It is finished. Lockeport is a two hour drive from Halifax where employment is reasonably steady but does not offer that much for these workers. I assure you that a two-hour commute on Nova Scotia highways in the wintertime is impossible. If the minister is going to retrain the workers from the closed plant in Lockeport, what would he and his colleagues train the people of Lockeport to do? Would he train them to move to Toronto?

Mr. Winegard: Mr. Speaker, I am really delighted that question was asked, because it is so marvellously reminiscent of what has been the Liberal philosophy for so many years.

According to their philosophy, if an industry or a factory shuts down, the people are paid to stay in that location for however long it takes for the jobs come back. You pay people to wait until that industry comes back. We do not believe in that.

We believe in looking at what opportunities and alternatives are available in the community, what community future plans may be used and how that community can use its own resources and the ones we can provide, such as community futures and training, in order to give it a new kind of future. We do not believe in simply pouring in money for people who can only sit and wait, without any pride. We want them to have new jobs and their pride.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I listened with interest to the beginning of my hon. friend's speech when he was particularly concerned about what the Liberal Senators were doing in seemingly frustrating the government's efforts.

Not long go the Minister of Justice introduced legislation in the House to curtail the powers of the Senate, to limit its ability to stop or hold up legislation. The government introduced the bill, we spent a few hours debating it, and never saw it again. The government never brought it forward. There was no more debate and it died on the Order Paper. Can my hon. friend explain to me why the government did not use that opportunity to follow through with the legislation to curtail the powers of Canada's Senate?

Mr. Winegard: It is quite simple. What we wanted the Senate to realize its true place in the parliamentary process. We had hoped that sometimes they would have a sober second look, get on with the job and pass it back here for us to go on with. We really hoped that the Senate would do what it had been doing constitutionally over many years. But no, what it has done is not sober second thought—

• (1800)

Mr. Duhamel: A bit more sober thought would be helpful.

Mr. Winegard: It is trying to rule the country, at an appointed base. Our hopes as to what would happen have been frustrated once again. Do not legislate what you do not need to legislate. We had hoped the Senate would come to its senses but regretfully it did not happen.

Mr. Kempling: I am kind of tempted to get into an interchange with the hon. member for Kamloops, but I have another question. In fact, I am quoting from a comment made by the hon. member for Kamloops when he said: "Quite frankly, I am very disappointed with the Senate because I do not think it has the right to hold up legislation". Put that in the context of his earlier remarks.

I want to ask the minister about the social assistance recipients, SARs. We have quite a good program in place for them and we want to expand it further. As you know, the largest growing group of disadvantaged people in this country are single mothers and many of them fall under the SAR program. I wonder if the minister could expand a little on what the legislation will do for them.

Mr. Winegard: Mr. Speaker, the parliamentary secretary does, of course, focus on a very important part of this bill. The social assistance recipient initiative has become over the years a major program representing about one-quarter of the Canadian Jobs Strategy expenditures.

Both the provincial governments and territorial governments, along with the federal government, under the Social Assistance Recipients agreement, are now currently authorized to spend something like $600 million. What we are doing in this particular bill is expanding that important initiative again in co-operation with the provinces and the territories by something like an additional $50 million. With the $50 million that we spend ordinarily on income assistance under the Canada Assistance Plan and the matching provincial-territorial fund, we will have something like another $200 million available to improve the employment prospects for up to at least another 20,000 social assistance recipients.

These training programs in this particular category have a remarkable degree of success. Something like 50 per cent of the people in these training programs end up with jobs, or three months later they have moved on to even further educational training programs. Why would you not want money to expand that kind of program? Of course we do, and that is why it is such an important part of this bill.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. Debate, the hon. member for Eglinton—Lawrence.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I would like to touch on that particular item that the minister has raised, but I would first like to address the two points that he and the Minister of Employment have raised, and that is the rights and privileges of this House and also the changes to the format of the unemployment insurance. We jotted down some notes as the two ministers spoke. In response, the Minister of Employment says the unelected Senate is blocking this legislation and in so doing is immoral in its action and is violating the authority of the House and this Chamber.

The Tories have imposed closure at each stage of this legislation and on a variety of other important bills. That constitutes a lack of morality and a lack of respect for the democratic wishes of this House.

Second, the minister says that we must respond to the changing times regarding employment and training demands. Nobody objects to that. Nobody disputes the need for change. What is in dispute in this legislation and in this resolution is the government's withdrawing of its contribution from those program needs.

The third item the minister raises is that the government has received a mandate to govern, and therefore it must put forward a program consistent with its own philosophy. Upon reflection, as my colleague for Notre-Dame-de-Grâce has noted, the Tory campaign of 1988 and the Conservative philosophy during that campaign indicated that there would be no changes to this legislation.

The public gave its support to the Tories and we are going to respect that, but I do not know whether there has been a change in philosophy or whether we have a different definition for morality and respect for democratic wishes.

A fourth item came to mind when the minister said we have to offer the unemployed a better future than one that just gives them cash. I do not think anybody has disputed that. The point is that making unemployment insurance benefits less accessible to Canadians in need and taking money away from UI beneficiaries to pay for federal ideas and projects is not the mandate of this income maintenance insurance scheme.

The minister says the money is sitting there waiting to be used for legitimate programs, but that it is being stalled by the opposition in the Senate. I never heard so much gobbledegook. The opposition is not stalling the programs. If the government really believes in these programs, let it propose legislation that is consistent with something other than violating and pillaging a program not designed to take money from premiums contributed by workers and employers for training.

The minister also says: "We have the Decima poll indicating that the majority of Canadians support using unemployment insurance money for training purposes." I thought we were governing in this House on the basis of the support we got from Canadians in a mandate at election time and continuously. Maybe the government is changing because of the way the polls read today, yesterday, the week before or the way they will read next week.

Both ministers who have spoken so far suggested that what we ought to do is consider that 80 per cent of Canadians do not want the GST, and therefore we should withdraw the legislation. I think that element of seriousness demands consistency in approach. If the argument is good for this, then it should be good for the other.

What really galls us is that the minister flaunted the Labour Market Productivity Centre surveys and said: "Look, here is the ultimate authority. It says that training is good for workers and good for Canada". I did not hear anybody argue, but since we have the bible of truth on the table for reference, it would serve the purposes of further debate to recall that the document she flaunted unanimously, through all seven task forces, said that unemployment insurance funds were not to be used for training.

Moreover, that task force indicated that there were two alternatives to funding. One is tax credits for businesses that got involved in training, and the other is a tax on all industries with a rebate if they participated in training. Then she says: "Well, we have not got the money. We do not know where to get it". The document that she says is the bible of the new labour strategy for the future is giving her the ideas and she ignores them.

What this tells us is that the real question to be discussed today is not so much the inconsistency of the minister's arguments and the minister's programs—I think they have been well documented—but that what we should be addressing and the minister should be addressing is not simply one of skills training. Nobody refutes the value of developing a highly skilled labour force, not anyone in this House and not anyone outside of this House. What everybody wants to hear is what this government's programs are with respect to job creation. It is important to understand that over the course of this last year, since the electorate gave this Chamber a mandate to initiate new legislation, with one of the government's initiatives, the free trade agreement, we have gone from a job creation rate of 383,000 in 1988 to, on the government's own admission, a mere 193,000 in the last year. Yet they trumpet that as an achievement. There has been a drop of about 100,000 jobs in terms of creation over the course of this last year since that government's initiative and they say what we need is skills development. What about the jobs that have been lost?

• (1810)

I can see the parliamentary secretary nodding his head. Those are the statistics they have given us.

I refer to something we learned just recently. Biltrite Upholstering of southern Ontario, a manufacturer of furniture, closed its doors, citing high interest rates as the main factor, putting 400 people out of work and losing $65 million in operational revenues. That is just one example of what is happening to the furniture and textile industries and other manufacturing enterprises in southern Ontario and elsewhere. This government still talks about skills training. People in those industries are highly skilled. They have a particular function they have been performing over a course of years and they have been extremely productive.

I add to them a group of skilled labourers in the construction industry that is slowly but surely collapsing as a result of the government's high interest rate policy and its high dollar. In southern Ontario in the great metropolis of Toronto alone, where we have seen 3,000 laid off over the course of the last few weeks, we have predictions of an additional 30,000 being laid off; plumbers, electricians, carpenters, bricklayers and other masonry workers. People who have a high skill level, people who are normally high earners and have good job prospects are going to be without jobs. It is not because we do not have good skill training programs but because the government's economic policies are depriving them of an opportunity to work. If the government had a sense of decency and if the minister had a sense of vision about what to do with our labour market, she would address that fact first and foremost. She has not been addressing that.

The statistics that give us an indication of the unemployment picture. Keep in mind that this minister has as her first mandate to deal with the unemployment and with the unemployed. Developing skills strategies is just one component of that. The rate of growth in the labour force has fallen from 3 per cent in the 1970s to 2 per cent in the 1980s. I remind all members of this House that the last eight years of this decade have seen unprecedented growth in the country.

Second, in 1989, to make things a little more particular and more immediate to us, the pace of employment growth fell by 35 per cent for women and 40 per cent for men. The prospect of finding employment decreased on

the help wanted index from 154 in April to 135 in December of that same year. That does not mean that we need skilled labourers before we need everything else. What it suggests is that we have to provide a labour opportunity before we begin to talk about the quality of the labour we need in it.

The other component of this development of unemployment is that part-time workers and part-time work has increased over the course of the period I just mentioned, the last eight years, from 13 per cent to 15 per cent in 1989. The growth in part-time employment accounts for about 50 per cent of all jobs created in the most prosperous period of Canadian economic history. Why is that significant? Those part-time and low-level jobs being created, on average, pay less than 75 per cent of the national average.

In Metropolitan Toronto, employment was increasing at the rate of 4.4 per cent per year as recently as 1986-87. For 1988-89, it has dropped to a mere 2.5 per cent increase. In 1989, manufacturing and warehouse jobs decreased by 22 per cent over the 1983 level.

We are not making headway in the creation of jobs, which is what the primary mandate of this minister should be. We are not doing that at all. She sends in a little red herring. I notice that some of my friends from the Atlantic are here and they will appreciate that a lot more than some of those who do not understand *double entendres*.

The minister sends in red herring called skills development, when she should be talking about job creation.

Mr. Simmons: She should be here listening to you right now, too!

Mr. Volpe: She should! Over the course of the last five years, the number of so-called discouraged workers has been on the increase. The discouraged worker is that worker who drops out of the labour market because there is no opportunity for employment as a result of the economic conditions. Just how serious is that?

The minister a few minutes ago said: "You know what? If we put this thing into effect, we could provide opportunities for development for 60,000 Canadians." That is an impressive figure. It is. How much more impressive is this figure? It is impressive by what it does not say.

The number of discouraged workers totalled 83,000 in 1979. In March of 1990, just a month and a half ago, according to Statistics Canada, 91,000 people dropped out of the labour market because they were discouraged from finding further jobs.

I do not know whether the Minister of Transport has a plan to hire many of those 5,000 laid off as a result of VIA cuts by his department. I do not know whether he has a plan in place in order to provide employment for those discouraged workers who find that the economic prospects are so bleak that the skills development programs will do nary a thing for them.

Ms. Clancy: There is no program at all.

Mr. Volpe: The ministers are wont to say: "Listen, we are going to provide a better environment if we have skills development." It is needed. Real income for the average worker since 1980 has dropped by 14 per cent. What we are looking at is not necessarily a government that has a sensitive program for skills development and training. We are looking at a lot of rhetoric that is not backed up by substance.

We should be, not only taking a look at the nature of our unemployed, but addressing employment needs of the country and the government, and its sincerity in addressing those needs.

When we speak of sincerity and what is available with respect to what the government should do, I refer to one component of Bill C-21. It purports to say that it addresses some charter requisites imposed by court rulings, recognizing the rights of senior citizens, mothers and parents in terms of leave.

This minister and the government moved at a snail's pace to correct some of those imbalances. Not until the Supreme Court told the government to respect the rights of seniors, parents, and mothers under the unemployment insurance scheme, did the government finally insert that in Bill C-21. It is still holding back. Now it is blaming the Senate for something with which it has been extremely remiss.

Not only that, but one year ago we had a Federal Court of Appeal decision stating that the government, through its department, was being absolutely unfair to those who were unemployed and had received severance and vacation pay. It was being unfair in the application of a decision with respect to whether those two items should

be considered continuous pay and was depriving workers of an additional $100 million per year. If the government is acting with such bad faith, can one expect that it is going to be very sincere about some of the skills training programs?

• (1820)

On that level, I would like to refer to some of the other items with respect to training. It is important that we understand who is going to be affected by training. I know the Minister of Transport is listening and he might be interested in knowing this. It is one of the things that the minister has not said. One cannot qualify under Bill C-21 for skills development programs unless one qualifies under the new requirements for unemployment insurance.

Keeping that in mind, I am going to pick a couple of places. My friend from Saskatoon who sat on the legislative committee with me will know and verify that the new entrance requirements and the new requisites under Bill C-21 are going to affect 60 per cent of those people from Saskatoon, Saskatchewan, who become unemployed. Sixty per cent of them are going to suffer a reduction in the rights that they normally would have enjoyed under the unemployment insurance program. Those people are not going to qualify for the skills development programs.

If we are going to help the unemployed in the country, if we are going to increase their employability, if we are going to increase the standards of their labour productivity, why would we not allow them to qualify for those programs?

I will tell you why, Mr. Speaker. Bill C-21 under sections 19(3), 26(1), (2) and (4) deprives any claimant of the right to appeal the decision of a department official to qualify for any of those programs. What is the purpose of having a program if the very people who are supposed to benefit from it are going to be deprived of it, and then without an appeal? This particular minister who just spoke has the unmitigated gall to talk about a Senate that deprives the people of the opportunity to exercise the democratic right. Does hypocrisy reign totally and always unabated on that side of the House?

Mr. Lewis: The weaker the argument, the louder you yell.

Mr. Volpe: I know that I have awakened a few of the semi-somnambulant types on the other side and I am going to take that opportunity to point out something about our training programs.

Employment training, as my colleague from Notre-Dame-de-Grâce pointed out earlier, has decreased by 27 per cent over the last five years. This is the government that cut $700 million from such programs over the course of the last four years and says: "Now we are going to put in $1.3 billion." We want to take a look at—

An hon. member: They all want jobs.

Mr. Volpe: They do not have jobs. I just said what kind of jobs they have and what has happened to those discouraged workers. I raise my voice so that even the dead and even the stones could hear, and the member says: "Well, we do not know if they all got jobs". Wake up! There must be something over in Cambridge. I do not know what it is. It must be something in the water. They will get rid of that for the next election.

The Tories are taking $1.3 billion from the unemployed. It is important to understand it is coming from premiums. It is not coming from government funds. It is coming from premiums, from the people who contribute to that program because they expect that they will have income maintenance in rough times. The government is taking that money from the unemployed and using it to set up a skills training program based, as the minister says, on local control with representatives from business, labour, and government. Since the government is withdrawing its own funds from those programs, what will be the success and the utility of those training programs?

Experience in Britain reveals that similar initiatives have resulted in over 90 per cent of all moneys being directed to low-level training for school drop-outs and long-term unemployed. That is a response to demands created by lay-offs and high unemployment, not by actual market demand arising from skill shortages.

Of comparable American programs, one of the more successful local training initiatives, has been able to raise only 5 per cent of its funding from the private sector. How can any local business be willing to voluntarily devote valuable resources, time, senior personnel, and money at a time when the federal government is setting a poor example by reducing its involvement and maintaining high interest rates and a high dollar? It has been

decreasing business profit margins and thereby hindering businesses' prospective generosity and ability to respond to the new market-place. If we are truly to respond to the needs of a new market-place, then we have to have a government that is going to take the advice given to it by the Senate and by members on this side of the House who say: "Change this thing completely or throw it out."

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise to compliment my colleague, the hon. member for Eglinton—Lawrence, and to ask if, perhaps, he can answer the same question I asked the hon. Minister of Science and Technology earlier, and which he was unable to answer.

Mr. Simmons: You will get a better answer.

Ms. Clancy: That is what I am attempting to get.

When we talk about this retraining and the people of Lockeport—I mentioned the people of Lockeport in my comments after the hon. minister's speech— I say again that there is no other industry in Lockeport. Lockeport is a one-industry town. The fish plant is closed. They are too far away from anywhere else to commute and retraining programs are not going to help the town of Lockeport. Has the hon. member for Eglinton—Lawrence any idea whether the government has even considered this?

Mr. Volpe: Mr. Speaker, I welcome the opportunity to answer for the minister opposite because, obviously, the government does not have any of the answers. This is a government-in-waiting and we should be prepared to offer the alternatives.

Some hon. members: Hear, hear!

Mr. Volpe: My colleague, the hon. member for Halifax, raises a very important point. First, in this country do we want to allow people to live in an area of their choice with an anticipation that they can derive from the benefits of this country, the same benefits that accrue to those in other areas of the country? To do that, we have to have ready an industrial strategy that will allow them the opportunity to develop the enterprises necessary to capitalize on the resources available.

If Lockeport's main resource is fish, I would like to see a government program that capitalizes on the marketability of fish and fish by-products, renewing the resources, and providing for people in that area something that would be long-lasting and long-term.

What the hon. member for Halifax also points out is that there is an unwillingness on the part of the government to recognize the other realities to which it makes allusions. One of these realities is that the government's economic policies are virtually destroying one-industry towns. The only alternative for those living one-industry towns is to move to those areas of Canada which are more highly industrialized and more diversified. What the government is encouraging is the process of urbanization. In encouraging that particular process, it is ignoring some of the consequences that accrue as a result to main centres like Montreal, Toronto, Vancouver, and other cities throughout the country.

Mr. Hopkins: There is no infrastructure.

Mr. Volpe: Absolutely none. The government, as the hon. member from Renfrew has said quite correctly, has no infrastructure for absorbing massive urbanization. Canada is well on the road to becoming the most urbanized of all countries in the western world. In order for us to do that, the government has to assume a responsibility from which it has shirked. In shirking from that responsibility, it has ignored another important factor in the whole concept of employment and unemployment.

I hope the Minister of Transport and the Parliamentary Secretary to the Minister of Employment and Immigration were listening when we talked about the nature of the employment that is taking place and the focus on part-time employment, service-sector employment, and low-paying employment. Sixty per cent of the jobs that were created in the last five years are in the category that pays less than the $10 average.

• (1830)

I can give you the statistics, but you cannot say that I am wrong just because you do not want to accept those figures. I have given you more figures than your research department has provided, and you have not contested them.

The other point I was addressing was that in areas like east Montreal the unemployment rate is greater than 15 per cent. We have unemployment rates that are unac-

ceptable throughout the country. East Montreal is an example. The typical unemployed individual has less than a grade nine education and no savings in the bank to tide him over. These people are unaccustomed to holding long-term positions.

Under this government it is not surprising that the kinds of jobs being created are short-term, part-time, low-paying, dead-end positions from which one must go elsewhere. They are transitional jobs. What is required, succinctly for the hon. member from Halifax, is a government that is willing to put in place an industrial strategy, and in the context of that industrial strategy, talk in terms of labour developments and labour needs, not in isolation.

Hon. Doug Lewis (Minister of Transport): Mr. Speaker, I was driven to my feet by the rhetoric of my hon. friend. I could not figure out whether he was teaching a grade 11 geography class or a grade 12 history class.

I have just one question for my hon. friend. Is he saying that unemployment insurance should be paid to each according to their region, or to each according to their ability to be retrained to find work and feel good about earning a living?

Mr. Volpe: Mr. Speaker, I would have felt very proud to be teaching a grade 11 geography class or a grade 12 history class. Because I was speaking to the members opposite, I had to speak in very elementary terms. I do not want to insult children in my son Massimo's class. He is only in grade 4 and they have a lot of very bright young kids there. What they do know is that when you pay into an insurance scheme you pay your premiums and your employer pays his premiums—

An hon. member: Insurance?

Mr. Volpe: —insurance. Unemployment insurance. When you are paying into an insurance scheme, you receive benefits according to what you paid and what the program calls for you to receive in the event that you require income support and income maintenance. When the government is deliberately changing the conditions, arbitrarily making economic decisions that impact negatively on one's employability, on one's labour market, then the hon. minister would do well to remember that you honour the commitment you made to them under that scheme.

The minister will know that withdrawing government support from an insurance scheme is both unconstitutional and inconsistent with the higher moralities of a democratically elected government.

The Acting Speaker (Mr. Paproski): The hon. member for Burin—St. George's, just on a one minute question or comment.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I compliment my friend and colleague from Eglinton—Lawrence. He has put the issue very succinctly.

I know the minister is having some difficulty with this whole procedure. If he would only listen to what the member for Eglinton—Lawrence said, he would grasp for the first time why there are so many concerns, particularly in rural Canada, about this Bill C-21.

One solution is to scream your head off so you do not hear anything, but a more constructive solution is for the minister to listen to the devastation that Bill C-21 is going to cause.

I want to ask my good friend for Eglinton—Lawrence, a man who obviously has his head around this particular issue, does he not agree that the decision by the government, if this bill goes through, to completely get out of the unemployment insurance business, in effect spells the death knell for the fishermen's unemployment insurance program. Does he not see that the program cannot last any more than three, four or five years if the government persists in putting this infamous piece of legislation through the House of Commons?

The Acting Speaker (Mr. Paproski): I will allow the hon. member a minute to answer, although his time has expired. I will recognize the hon. member for Eglinton—Lawrence.

Mr. Volpe: Mr. Speaker, my hon. colleague for Burin—St. George's is absolutely right. The government, by withdrawing support from the unemployment insurance system, has left to the vagaries of the marketplace the government's contribution which would be about $2.9 billion. The hon. member is absolutely right. This is a very devious way of reneging on its obligations to the people on the Atlantic and Pacific coasts who rely on the fishing resources for their livelihood.

The Acting Speaker (Mr. Paproski): Questions and comments are now terminated. The hon. member for Burlington. The hon. member for Burin—St. George's on a point of order.

Mr. Simmons: Mr. Speaker, I am sure you heard the comment from there because I heard the minister just a moment ago. I have a point of order, and if the member for Burlington can just hold his fire for a moment he will understand that I have a legitimate point, even he will agree with that.

Mr. Speaker, I am sure you heard the Minister of Transport, just a few short seconds ago, with his usual sarcasm malign every person out there who, through no fault of their own, have occasion to receive unemployment insurance. I wrote his words down because I did not think without the actual words you would believe what he said, but *Hansard* will show—

The Acting Speaker (Mr. Paproski): That is not a point of order, it is debate. The hon. parliamentary secretary has the floor on debate.

Mr. Simmons: I have a point of order, Mr. Speaker. I want on the record what was said and you can decide if it is a point of order. May I have the floor on a point of order?

The Acting Speaker (Mr. Paproski): The hon. member has taken two and a half minutes now to try to come up with his point of order. I will listen for another 30 seconds.

Mr. Simmons: Mr. Speaker, with respect, I have no difficulty coming up with my point of order.

The Acting Speaker (Mr. Paproski): With respect I will hear the hon. member's point of order.

Mr. Simmons: Mr. Speaker, a few minutes ago the Minister of Transport did not have the courage to say these words into the mike, but I heard him. He said what should we do, pay them UI, unemployment insurance year around? In that statement he maligns every person in this country who has received UI and that man should withdraw—

The Acting Speaker (Mr. Paproski): The hon. parliamentary secretary has the floor on debate.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I wish at the outset to answer the question put by the member for Halifax about Lockeport. You probably know if you went through the bill, Mr. Speaker, that there is tied up in Bill C-21, a Community Futures Program. Lockeport, along with 400 other communities in Canada, are lined up to apply for the Community Futures Program but they cannot get it because the bill is held up in the Senate. That is the answer to your question.

Before I get into the main body of my comments, Mr. Speaker, I would also like to reply to comments made by the member for Eglinton—Lawrence regarding the Canadian Labour Market Productivity Centre. The minister saw this report, read and reviewed it with her officials. Indeed, the report recommended that the UI premiums not be used for training. That is one of the recommendations. It is in the report. Nobody can deny it.

• (1840)

The minister recognized this and she made it clear that there is no other source for funds right now. All we hear from the member is, "Delay it. Do something else". The fact is that the Minister of Employment and Immigration made it clear that the Canadian Labour Market Productivity Centre recommended worthy medium and long-term goals. She does not disagree with it on principle, but Canadian workers need help now. That is why we are proceeding.

Mr. Fisher: Withdraw the bill.

Mr. Kempling: The member says, withdraw the bill. The member for Kamloops, your House leader, said, "Quite frankly, I am very disappointed with the Senate because I do not think it has the right to hold up legislation". Your finance critic, the member for Yorkton—Melville said, "I believe the Commons should have the final say. I do not think the unelected body should usurp the elected body". How do you deal with that?

Mr. Fisher: Withdraw the bill.

Mr. Kempling: I am pleased to rise in support of the motion by the Minister of Employment and Immigration. In the throne speech last year this government set out its intention to build a strong economy that was fully competitive among the world's trading nations.

We further announced our intention to amend the unemployment insurance program to improve its effectiveness and its fairness. This would result in more resources being directed towards active training, leading

to more opportunities and a more productive, experienced workforce.

At this point I want to ask the hon. member for Eglinton—Lawrence if I could have his attention for just a moment because I want to give him a little bit of history. When I came to this Parliament in 1972, we had before us in 1973, amendments to the Unemployment Insurance Act. At that time, if the minister overran his allotment in the Estimates by $400 million, he had to come before Parliament and ask for an extra allotment. In 1973, that figure was doubled, from $400 million to $800 million. In 1974, we took the lid off altogether.

Your comments about stealing money from the unemployment insurance account to pay for training is not valid. The statute and information states that if an unemployed worker needs money and there is nothing in the fund, it comes automatically from the general revenue fund. You should remember that because you are not being valid in your comments.

We were elected in 1984 and re-elected in 1988 with a mandate that includes controlling federal spending in order to maintain economic stability, continued growth, and to prepare Canadians for participation in the international economy of a wide new world.

We will help meet that mandate through Bill C-21. It sets in place a human resource strategy for the 1990s that will address the imperatives of the modern economy. Unlike the Senate, which is prepared to add at least $1.75 billion annually to the deficit, we will do so in co-operation with the private sector without expanding our debt.

The individual worker is still the most vital part of any workplace. It is in this regard that Canada faces its greatest challenge. In 1989, the world competitive scoreboard ranked Canada well down on the list with respect to managerial talent, R and D, personnel and skilled labour.

The Conference Board of Canada last year found that two out of every three Canadian firms reported difficulties with employees who were illiterate and who were unable to carry out their assigned tasks.

In fact the Canadian Labour Market and Productivity Centre estimated that more than 600,000 job vacancies go unfilled in Canada despite the relatively high unemployment in many areas because workers do not measure up to the skill demands in the job.

This is a comprehensive program that we have involving all parts of our educational and training system. We have had to re-examine our whole approach to developing our human resources in this country, from basic education through to skills training, to labour market programs on adjustment and on unemployment insurance. This is now taking place.

The Prime Minister has called for a national debate on education in Canada and its relationship to economic productivity and competitiveness. He has further called for discussions with provincial ministers of education on the mechanism to set up a task force on resource development.

The national initiative on education complements what we are doing with Bill C-21, which amends the UI Act. It allows for a 45 per cent increase in funding for labour force development and gives life to the Labour Force Development Strategy. This strategy is to fulfil two objectives: first, to increase the quality of training and skills development in Canada with a greater commitment on the part of the private sector and, second, to increase the quality of training so that it is more relevant, hands on and committed to excellence.

Canadian industry spends less than one-half of the amount that U.S. firms spend on training, which is a fraction of what other countries such as Japan spend. Bill C-21 makes $230 million available to increased training by the private sector, which is leverage money that will trigger an estimated $1.5 billion in addition to investment and training over the next four years. Our goal is to create a training culture where employees and companies practise skills development on an ongoing basis. That means working in partnership with community colleges and the provincial government to provide quality training that is relevant and market oriented.

The Labour Force Development Strategy is designed to reach those workers who most need assistance. It is about young people, the 30 per cent who have dropped out of school and have trouble accessing the labour

market. When Bill C-21 is passed we will be dedicating $100 million for the purpose of setting up new entry level training programs primarily directed at young people. This will supplement existing programs such as apprenticeship which, by the way, will be examined in consultation with industry and the provinces to accommodate the growing demand for skills in the service sector.

Moreover, we will be quadrupling federal expenditures on co-operative education, a popular program among young people which is growing in demand. Our intention is to expand this program into the high schools.

Unemployed workers will see more assistance to help them get into the workforce. The passage of Bill C-21 will enable the federal government to spend $350 million a year to reach an additional 60,000 UI recipients this year. We are also aiming to help those Canadians who are on social assistance and who have been left behind. Bill C-21 will see $50 million added to the current training and other employment programs which have been operating in co-operation with the provinces since 1986.

I do not need to remind the House that each success means another pay cheque for families in the local community, as well as the satisfaction of a worker who is able to look ahead to future opportunities. Let me add also that Bill C-21 will allow for increased training allowances to bring them up to today's standard of living.

We have difficulties with older workers. Older workers will also receive more assistance. The bill has earmarked $40 million to encourage employers to hire and retain older workers who would otherwise lose their jobs. About $50 million is intended for skills and training education upgrading to be conducted through Section 26 of the UI Act. Natives, women, visible minorities, the disabled—all those who are often denied their full place in the workforce—need the benefits that will come from a better equity based human resource planning. More focused training and career development can tap a great pool of talent and skill, but that can only happen by the building of networks and organizations involved in training, business associations, unions, vocational schools, community colleges, and others. We need to plan together at various levels; most importantly at the local level. These are the goals of the policy on which Bill C-21 is based.

• (1850)

The *status quo* is no longer acceptable for Canada. Quite simply, to stand still is to fall back.

That is the big picture, but the human side is quite simple. Canadians want to work. They want to own homes. They want to raise families. They want their children to get an education and have jobs, and they want to provide for a secure retirement of their own. Wanting these things, Canadians expect and indeed deserve the kind of help this legislation will provide.

Canadians understand the government's efforts to make the UI a more constructive, pro-active program. Recent polls show a strong majority of Canadians support the idea of using UI funds to train unemployed people so that they find better jobs and find them sooner.

We have an opinion from the Department of Justice that we are quite legal in using the funds in this way. Two Decima polls and an Environics study found that approximately two-thirds of Canadians supported the government's plan to shift a percentage of UI funds to job training through Bill C-21. It is obvious, as well, that Canadians support the bill's measures to ensure the UI system is being used as efficiently and as effectively as possible.

This general support is also reflected by opinion makers in the media and elsewhere.

Canada has one of the most generous UI systems in the industrialized world. Fine tuning that system to make it more efficient and constructive has been generally seen in the media for what it is. What we are doing has received positive comment from across the country.

An hon. member: What papers are you reading, Bill?

Mr. Kempling: Well I am glad the member asked. Editorials across Canada have decried the unjustified delays imposed on Bill C-21, while demonstrating support for the legislation's refinements to our UI system.

I could quote from literally dozens of editorials, but a representative cross-section will perhaps indicate some of the response to the obstruction to this important bill.

Here is one from the *Saint-John Evening Times Globe*. The editorialist writes that "to delay enactment—would hurt, not help the unemployed". This was written in November and the hurt continues.

From the *Financial Post*: "the Senate delay has forced new UI applicants to wait an additional four weeks" and "the delay also ignores the urgency of getting more job training and retraining programs up and running".

The *Woodstock Daily Sentinel Review*:

> The unemployment insurance system will be helped by the changes proposed. The changes should cut down on some of the abuses (while) still taking care of legitimate claimants.

The *St. John's Telegram*:

> The federal government has stopped making a contribution to the UI fund. It has kept the clamps on the civil service. It is proceeding with the—Goods and Services Tax. It means business.

The Montreal *Gazette*:

> The Senate may well deny thousands of unemployment people the benefits to which the new law would entitle them.

That is a tragedy. The *Regina Leader Post*:

> The proposed changes—are clearly designed to make the unemployment safety net more sensitive to the job market.

The *Calgary Herald*:

> The federal government has set out to turn UI into what it is supposed to be, an insurance policy for the genuinely unemployed job seeker.

Finally, from the *Vancouver Sun*:

> The Senate committee members didn't have a single question for Barbara McDougall when she gave them the opportunity to quiz her about the bill. That shows that they have run out of excuses for stalling it.

There you are, Mr. Speaker. That is what many members of the media said about the stalling of this bill. I noticed as well that members opposite have quoted Global Economics, a think-tank in this country. Members quoted these studies when we travelled with the committee across the country.

It was rather strange that when Global Economics representative, Mr. Patrick O'Grady, appeared before the Senate committee, he said: "I believe that Bill C-21 will make the UI system better and it ought to be passed". These are the very people that the member for Notre-Dame-de-Grâce talked about, and the study they produced which said that we were all wrong. Yet, when the people who wrote that report came before the committee, he told them that it would improve the bill and they should pass it.

Canadians are also very aware of the financial implications of continuing to play games with this important legislation.

An hon. member: Don't drink and talk at the same time.

Mr. Kempling: I wish it had something stiffer in it than water.

If the government accepts the Senate amendments $1.75 billion will be added to the deficit; $450 million is at stake for maternity, parental and sickness benefits; and $45 million is being risked by the Senate for self-employed entrepreneurship and mobility assistance.

Members talk about the small village here and the small village there. We would all like to go back and retire in a small village. But the reality is that Canada is populated by people who have moved from small villages to big cities across the country. Members can go to Cambridge and ask the hon. member for Cambridge how many Newfoundlanders reside there. He will say that half the community comes from Newfoundland.

In and around the Hamilton area, there are all kinds of people from Nova Scotia, New Brunswick and Prince Edward Island. They came to where the jobs were to make some money and perhaps retire. We have to balance this thing. People move to where the jobs are. We are not going to move the Steel Company of Canada to Lockeport, Nova Scotia.

An hon. member: I moved to Winnipeg, Calgary and Vancouver. I followed the jobs.

Mr. Kempling: The hon. member for Hamilton West, the only time he ever got a callous on his hand was holding a microphone; he never worked a day in his life.

Some hon. members: Oh, oh!

Mr. Kempling: One-third of the increase in the Community Futures Program is being delayed, hindering 200 rural and small town communities.

The lower 10-week variable entrance rate is not in effect, which will hurt fishermen and other seasonal workers across Canada.

The Budget Papers in April 1989 stated:

The financing changes (under C-21) will contribute $1.9 billion to deficit reduction in 1990-91.

That is the key issue behind this motion. The paramount fiscal policy objectives of this government is to get the public debt under control through deficit reduction.

Let me explain how this will happen. The UI program has been financed on a tripartite basis from employer to employee premiums and from general government revenues raised by taxation and borrowing.

The proportion of benefits paid by general government revenues has varied over the years. For example, in 1989 the government paid out an estimated $2.9 billion in unemployment insurance expenditures out of a total of $12.6 billion. This was used to finance extended benefits, clients taking training, or benefits for self-employed fishermen in excess of premiums they pay. However, after Bill C-21 is passed all the UI expenditures will be financed by premiums.

The Acting Speaker (Mr. Paproski): When we return to debate on this bill, the hon. member will have 10 minutes for questions and comments.

* * *

PLANT BREEDERS' RIGHTS ACT

MEASURE TO ENACT

The House resumed from Thursday, May 3, consideration of the motion of Mr. Mazankowski that Bill C-15, an act respecting plant breeders' rights, be read the third time and passed.

The Acting Speaker (Mr. Paproski): It being seven o'clock p.m., pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division at the third reading stage of Bill C-15, an act respecting plant breeders' rights.

Call in the members.

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

(Division No. 253)

YEAS

Members

Anderson
Assad
Attewell
Bellemare
Bertrand
Bird
Blackburn (Jonquière)
Blondin
Bouchard (Lac-Saint-Jean)
Brightwell
Cadieux
Cardiff
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Collins
Cook
Corbeil
Couture
DeBlois
Desjardins
Domm
Duplessis
Feltham
Flis
Fretz
Gérin
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Hockin
Hughes
Jelinek
Jourdenais
Keyes
Koury
Layton
Lee
Littlechild
MacDonald (Rosedale)
Marin
Mazankowski
Mitges
Moore
Oberle
Pagtakhan
Plourde
Pronovost
Reid
Ricard
Robichaud
Schneider
Scott (Hamilton—Wentworth)
Simmons
Sparrow
Tardif
Thacker
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Van de Walle
Venne
Vincent
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Andre
Atkinson
Bélair
Belsher
Bevilacqua
Bjornson
Blenkarn
Bosley
Boudria
Browes
Campbell (Vancouver Centre)
Casey
Charest
Clark (Yellowhead)
Cole
Comuzzi
Cooper
Corbett
Darling
Della Noce
Dobbie
Dorin
Fee
Ferland
Foster
Friesen
Gibeau
Greene
Gustafson
Harvey (Chicoutimi)
Hicks
Hopkins
James
Johnson
Kempling
Kilger (Stormont—Dundas)
Larrivée
Leblanc (Longueuil)
Lewis
Lopez
Malone
Marleau
McGuire
Monteith
Nault
O'Kurley
Plamondon
Porter
Proud
Reimer
Richardson
Saint-Julien
Scott (Victoria—Haliburton)
Siddon
Soetens
Stevenson
Tétreault
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Vanclief
Vankoughnet
Vézina
Volpe
Wenman
Wilbee
Wood—135

NAYS

Members

Althouse
Blackburn (Brant)
Fisher
Funk
Harvey (Edmonton East)
Hunter
MacWilliam
Murphy
Robinson
Taylor
Young (Beaches—Woodbine)—21
Black
Brewin
Fulton
Gardiner
Heap
Karpoff
Mitchell
Riis
Rodriguez
Waddell

The Acting Speaker (Mr. Paproski): I declare the motion carried.

Bill read the third time and passed.

Mrs. McDougall: Mr. Speaker, had I been present for the vote I would have voted with the government.

The Acting Speaker (Mr. Paproski): It being 7.24 p.m., this House stands adjourned until tomorrow at eleven o'clock, pursuant to Standing Order 24(1).

The House adjourned at 7.24 p.m.

HOUSE OF COMMONS

Tuesday, May 8, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 90 petitions.

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

* * *

[*Translation*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE TO STANDING COMMITTEES

Hon. Marcel Danis (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, I am pleased to table, in both official languages, Orders in Council announcing appointments made recently by the government.

Pursuant to Standing Order 110(1), these Orders in Council are deemed to have been referred to the standing committees indicated in the appendix.

* * *

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mr. Derek Blackburn (Brant): Madam Speaker, I rise under the provisions of Standing Order 36 to present a petition signed by several petitioners from southwestern Ontario who call upon Parliament to reject the current proposal for a goods and services tax, to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations, ensure that if and when there is a broad public consensus on a sales tax measure to replace the manufacturers' sales tax this reform not be an opportunity for the government to impose a massive tax grab, and cause the government to cease with a proposal which will shift the tax burden on to ordinary Canadians through a regressive consumption tax instead of through real tax reform.

• (1110)

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is a privilege for me to have this opportunity pursuant to Standing Order 36 to present a number of petitions from people from Brocklehurst, North Kamloops, Westsyde, Heffley Creek, Raleigh, Aberdeen, Valleyview and Dallas, British Columbia, who are all concerned about the government's goods and services tax.

Quite frankly, they cannot understand why the government would proceed with a tax that will tax reading material. It will make Canada the only country in the world that is actually imposing a tax on books, magazines, newspapers and reading material, which helps young people develop their reading and communication skills, to say nothing about their education generally.

These petitioners are saying that the government should stop proceeding with this tax, go back to the drawing-board and start all over again with real tax reform.

CHILD POVERTY

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have a petition from petitioners in London, Ontario and the city of Ottawa, who point out that the number of children in Canada living in poverty is increasing.

They point out a whole set of statistics which shows the abysmal situation in which one of the richest countries in the world would tolerate literally hundreds of thousands of children living in a state of poverty. They are asking the government to take action and, in particular, to support the suggestion of the hon. member from Mis-

sion—Coquitlam that we have a comprehensive bill of rights for children.

VIA RAIL

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have a petition from petitioners in Kamloops, British Columbia. They are concerned about the curtailment of passenger rail service.

They point out that passenger rail service is important to develop the tourist infrastructure for the area of central British Columbia. They are asking the government to consider increasing once again passenger rail service between Kamloops and Calgary, one of the most scenic routes in Canada.

GOODS AND SERVICES TAX

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I have the honour under the provisions of Standing Order 36 to present petitions against the goods and services tax. These petitioners from northeast Calgary whose signatures I am presenting today, bring the total from my riding alone to 19,000.

My constituents are opposed to this goods and services tax because they feel it is regressive and that it is going to be inflationary. They pray that the government withdraws this form of taxation.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I rise today under the provisions of Standing Order 36 to present a petition signed by a number of Canadians who are protesting the government's goods and services tax.

They state clearly that the government has not addressed the unfair taxation system currently in place, a taxation system which permits wealthy individuals and corporations to pay little or no federal tax but which forces lower and middle-income taxpayers to bear more of the national tax burden.

The petitioners call on the government to reject its proposal for a goods and services tax, and to reform the taxation system so that there is a minimum tax on wealthy individuals and corporations.

Mr. Vic Althouse (Mackenzie): Madam Speaker, I have a petition from a number of Canadians calling on the government to reject the current proposal for a goods and services tax, to reform the taxation system so that there is an effective minimum tax on wealthy individuals and corporations and to do so in a way which will shift the tax burden not on to ordinary Canadians through regressive consumption taxes but through real tax reform.

COMMUNICATIONS

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have a petition which calls on the government to reinstate fully funding for the native communications program and also for the northern native broadcast access program.

The petitioners are also calling on the government to consult with the native groups involved before any changes in funding takes place so as to serve the needs of the department as well as the aboriginal people and their media in the future.

WOMEN'S CENTRES

Mr. Robert E. Skelly (Comox—Alberni): Further, Madam Speaker, I have a petition from people in Port Alberni calling on the government to reinstate in full all those funds previously designated for core funding for women's centres in Canada.

GOODS AND SERVICES TAX

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to present a petition on behalf of the electors of Vancouver Quadra who are represented very ably in the House by my right hon. friend, the hon. member for Vancouver—Quadra.

This petition urges Parliament to reject the goods and services tax as vicious and unfair.

I realize that the petition may have been signed late by these people, in light of the action taken in this House already. Nevertheless, they are entitled to have their views known. It can only be hoped that we will get an opportunity to deal with this bill again after the other place has made the appropriate amendments.

[*Translation*]

POST-SECONDARY EDUCATION

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, it is my duty to table six petitions signed by students at the University of Ottawa.

Last week was Education Week and these students are concerned about the quality of education. Madam Speaker, the petitions ask the various levels of government to promise to hold a federal-provincial conference at the highest level in order to establish the financial responsibilities of both levels of government for post-se-

condary education and to end the shameful neglect of higher education in Canada.

Madam Speaker, the petition is preceded by arguments about the condition of the equipment at universities and post-secondary institutions and about the declining quality and accessibility of these institutions for Canadian students.

So I think it is quite appropriate and important for the House to be aware of the big problem that concerns these students.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Champagne): Shall all questions be allowed to stand?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): I have received an application pursuant to Standing Order 52 from the hon. member for Mackenzie.

* * *

MOTION TO ADJOURN UNDER S. O. 52

AGRICULTURAL ECONOMY

Mr. Vic Althouse (Mackenzie): Madam Speaker, in brief, a letter that I presented to you points out that within the last 10 days a number of things have happened regarding the farm finance scene.

Grain prices announced by the Canadian Wheat Board and guaranteed by the Government of Canada are down considerably from 18 per cent to 25 per cent. Farm Credit Corporation interest rates went up one percentage point to 14-7/8 per cent during April. Net incomes on the Prairies, in particular, are predicted to be down about $2 billion.

While the Government of Canada supposedly has half a billion dollars on the table, the premiers of those provinces involved are having great difficulty raising the money to make a matching grant. They argued at their conference in the west this week that it is not their constitutional responsibility. I think that that is the case.

I urge the House to have a discussion on this urgent matter this evening, pursuant to Standing Order 52.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mrs. Champagne): We have carefully considered the request made by the hon. member for Mackenzie. Although we are well aware of the importance of this subject, we have decided and are agreed that the hon. member's request is not urgent at this time. Perhaps it may be acceptable another time, another day, but not now.

GOVERNMENT ORDERS

[*English*]

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND—CONSIDERATION OF SENATE AMENDMENTS

The House resumed from Monday, May 7, consideration of amendments made by the Senate to Bill C-21, an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act; and the amendment of Mrs. McDougall (p. 11064).

The Acting Speaker (Mrs. Champagne): When Bill C-21 was last before the House, the hon. member for Burlington had completed his speech. The question and comment period following the hon. member's speech is now available to members, otherwise the Chair is prepared to recognize hon. members for debate.

The hon. member for Ottawa—Vanier on a question.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, I have a question for the Parliamentary Secretary who, as we all know, is a very knowledgeable person in terms of the bill. He has been here for several years and he also knows procedure.

• (1120)

In the motion put by the government, the third paragraph states that the message from the Senate in regard to amendment 5(b) will be accepted by the

government and proceeded with. In her remarks yesterday, the Minister of Employment and Immigration stated, as reported at page 11061 of *Hansard:*

> The Senate had asked us in recommendation 5(b) to reduce this—

—that is, the penalty provisions—

> —to two years and we agreed to this recommendation. We did not agree to it in the previous message because it will have some impact on our ability to fund the Labour Force Development Strategy. I would remind members that every dollar we take off the one side is not available for the other side. But we do recognize the value of compromise and we are committed to some very fundamental principles, but we are not intransigent. For that reason we are going to accept this recommendation.

At the end of the minister's speech, Madam Speaker, as you know, she tabled a motion which is lengthy and which I will not read. In it, she makes the claim that the government, conscious of this fellowship with its predecessors, reaffirms its sole and undoubted democratic right which will not in this manner be waived. Yet, prior to making the motion, she did waive the privileges of the House of Commons and reaffirmed again that there is some confusion in the government's thinking.

I want to ask the Parliamentary Secretary this. How can this House adopt a motion that says that we will not waive our democratic right, our sole and undoubted rights, our privilege of being the sole House that imposes charges upon the state, and accept that the minister did exactly that? By her own admission yesterday, the minister said that this will cost the Government of Canada money.

There is in my view a double standard here. What is the Parliamentary Secretary's answer to this predicament? We have the acceptance of a money amendment made by the Senate which, in the words of the minister and previous speakers in this debate, was not to be accepted by the House. Yet, we have the government accepting it. How can he reconcile that? I would like to have an answer to that.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, the member is nit-picking in the finest tradition. The minister put her remarks forward yesterday and showed the ability to compromise in certain situations.

The minister, by saying that we will not compromise, meant that the two main thrusts of the Senate amendments that would in fact gut the bill all together. It would allow amendments to be put to a bill through the Senate that could not be put in the House of Commons. It would allow amendments that would have been ruled out of order by the committee chairman had they been presented at committee. Had they been presented in the House of Commons, they would have been ruled out of order by the Speaker of the House of Commons.

That is the thrust that the minister is making in her comments, that we will not compromise on this, not the nit-picking approach that the member is taking.

The Acting Speaker (Mrs. Champagne): The hon. member for Saskatoon—Dundurn on a question or comment.

Mr. Gauthier: Madam Speaker, he has accused me of nit-picking, and I am not nit-picking. I want to make my point.

Mr. Kempling: "Nit-picking" is not an unparliamentary word.

Mr. Gauthier: It is pure procedural argument and you cannot answer it. That is the problem.

The Acting Speaker (Mrs. Champagne): Order! The hon. member for Saskatoon—Dundurn.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I viewed with a considerable degree of dismay the emphasis which both the Parliamentary Secretary and the minister placed on the results of two polls, one by Decima and one by Environics. These polls apparently show that the Canadian public is very much in favour of spending UI money for training.

I am surprised that is the case. When the committee travelled across the country and spoke to representatives of these very same people, particularly the unemployed—and perhaps the Decima poll was not aimed at the unemployed—their overwhelming reaction was that this was a very wrong-headed way for the government to go, that it was a backward step, and that the victims of unemployment should not be charged for their own training.

The question I would like to ask the Parliamentary Secretary is this. Would he please tell us the questions which appeared in the polls put forward by Decima and Environics? It would be very interesting to know what

the questions were. I suspect it would go a long way toward giving us some indication as to why the answers came forth as they did.

Mr. Kempling: Madam Speaker, I do not have those questions in front of me at the moment. I have a sense that they were along these lines: Do you think the unemployment insurance fund should be revised and upgraded? Do you think there is abuse in the unemployment insurance system? Do you think that unemployment insurance funds should be used for training?

That is plain and simple. There is nothing illegal, improper, or immoral about that, as the member has stated some time in the past.

We have an opinion from the Department of Justice that states that benefits can be defined in terms of money or can be defined in terms of training. There are many people who agree that what the Senate is doing in holding up this bill is improper.

For instance, the hon. member for Kamloops said, regarding the Senate: "Quite frankly, I am very disappointed with the Senate because I do not think it has the right to hold up legislation". That was in October, 1987 when he was spoke on Bill C-22.

Then, on March 28 of this year, the New Democratic Party finance critic, the hon. member for Yorkton—Melville said: "I believe the Commons should have the final say. I do not think the unelected body should usurp the elected body". That is the thrust of our argument.

Mr. Milliken: You should have been here yesterday.

Mr. Kempling: I was here yesterday.

We heard the hon. member for Kamloops yesterday do his usual little pirouette on a pinhead, talking out of both sides of his mouth all the time.

We believe that we are on the right course. We not only have editorial comments, but we have comments from across the country, from newspapers from coast to coast, commenting on what the Senate is doing. Had I time, I would read every one of them into the record again.

Mr. Benno Friesen (Surrey—White Rock): Madam Speaker, I would like to ask the Parliamentary Secretary a question.

Now that the other place has held up this legislation for a good many months, does he have any estimate of the cost to the country and, in particular, to the unemployed in terms of lost benefits that they could have had in the way of job retraining? When we realize the high unemployment rates that exist, particularly in the Maritimes, and the need to introduce new technologies there, to what extent has this hurt the unemployed in that region? Could he be specific about the kind of support this provision has across the country, at which he has just hinted?

Mr. Kempling: Madam Speaker, I do not know how many hours I have for this, but I will try to answer the questions.

There are many people hurt by the fact that the Senate is holding up this legislation. The hon. member for Halifax has risen several times during the course of this debate to ask about Lockeport, Nova Scotia, and what is going to happen to there now the fish plant has been closed.

What I said to her, and I will say it again, is that within Bill C-21 is the Community Futures Programs. Lockeport and a couple of hundred other municipalities in eastern Canada cannot access that program because the Senate is holding up this bill. We also have to look at the fact that under Bill C-21 an unemployed fisherman or fish plant worker would have to work only 10 weeks in order to receive unemployment payments. Under the present system they would have to work 14 weeks in order to benefit from unemployment insurance.

• (1130)

I would like to quote from an article in *The Financial Post* concerning communities where work is not available. "Senate Liberal majority leader Allan MacEachen is asking thousands of new unemployment insurance applicants in Atlantic Canada and all the depressed areas to be patient while he plays a game of political chicken with the Mulroney government at their expense."

An hon. member: It is shameful.

Mr. Kempling: He should be ashamed of himself.

Mr. Proud: Same old song and dance.

Mr. Milliken: It usually is.

The Acting Speaker (Mrs. Champagne): I am sorry I must interrupt the the hon. member. The time for questions and comments has now expired. Resuming debate.

Mr. George Proud (Hillsborough): Madam Speaker, I am pleased and honoured to rise again in the House to discuss Bill C-21 and the recommended amendments as proposed by the other place, about which we have heard so much.

I find it unbelievable that the government has chosen this time to inflict more hardships on Canadians, when they are faced with such high interest rates, the proposed GST, and a faltering economy. As has been stated by many speakers in this House on this topic, Canadians, and especially my constituents, are not fooled into thinking that this is a good bill.

Bill C-21 is a further attack on the working people throughout this country. It is an attack on those communities that lack industry and depend on seasonal employment, an attack on the underdeveloped areas and an attack on the basic foundations of our country.

At the same time that this bill is being proposed, the government is trying to turn the tables by placing the blame on the victims, those people who depend on seasonal employment and therefore on unemployment insurance to meet life's basic needs.

The hon. member across the floor was very quick to blame the people of Atlantic Canada for using UI as a form of social welfare. We all know that this is not the case. As I stated a few moments ago, the Atlantic region is not a heavily industrialized area and seasonal employment is the way of life, not by choice but by economic necessity.

The implication in all of this is that those who are not working 12 months a year are somehow trying to beat the system. What makes this attitude so ridiculous is that it comes at a time when federal fiscal policy is increasing our number of unemployed in its so-called battle against inflation.

A 10 to 12 week job with varying hours is not the preferred employment of the people of Prince Edward Island. What I must stress here is that it is the only employment. It is not their fault. It is simply an economic reality, the reality of living in an economically underprivileged and neglected part of Canada. Toughening the entrance requirements and shortening the benefit periods will impose further hardships on my province, on Atlantic Canada and on those people who are already living on the economic brink. Combined with the severe economic hardships associated with seasonal employment, the UI changes constitute a double hardship with very far-reaching effects on those who are seasonally employed and in turn on their families.

I would like to quote the Minister of Labour for Prince Edward Island, the Hon. Roberta Hubley: "Approximately 1,700 claimants on Prince Edward Island will no longer be able to establish a claim as a result of changes to unemployment insurance entrance requirements. Prince Edward Island recorded the largest percentage of claimants affected by entrance requirement changes. Prince Edward Island recorded the third largest percentage of claimants affected by changes to the UI benefit duration". She further stated that approximately 7,000 claimants in P.E.I. will be affected by changes to the UI benefit duration. Prince Edward Island has been singled out to bear more than its fair share of the cost of the proposed UI changes, particularly in relation to new entrance requirements. These changes will mean an increase in the absolute number of welfare recipients and will be a major blow to many residents of Prince Edward Island.

Since this bill was first introduced, I have listened to various groups, special committees and many of my constituents, and the majority of the views expressed fear of Bill C-21. The major fear is of welfare and unemployment.

Quite often the argument used by hon. members across the way is the same old song and dance about the other place. According to them, it should not even examine this bill, or if it must examine it, should ignore the wishes expressed by the people of Canada. According to the people across the floor, it should silence its conscience and without saying a word rubber stamp this legislation. I totally disagree.

The other place serves a very useful purpose. The government is not listening to the people. It is doing exactly as it wants because of its majority and that is not what democracy is about. It is true, and I would be the first to admit this, the government did win a majority. They won the majority due, in large part, to a wonderful advertising campaign. However, I would like to stress that we have checks and balances in this system. One of

the roles of the other place is to be one of these checks and balances.

However, the government has to listen. That is why we have an opposition, another Chamber and, in this particular House we have three parties. All the members of this House represent all of the people of Canada.

We often hear about the number of Canadian citizens who live below the poverty line. Those Canadians must depend on food banks in order to survive. It is not a very nice fact that 3.7 million of our country's citizens live below the poverty line, but even more shocking is the fact that a quarter of these are children under the age of 16. Furthermore, one in six Canadian children is undernourished. This is a fact. As Winnipeg sociologist, Harvey Stein, stated, "Poverty, you see, is not a vote getter. The people who use food banks are certainly not the folks who make a difference at election time."

It is very sad and it is also very true. The poor, whether they be working or unemployed, are obviously not the people that politicians seem so often obsessed with when an election or hand-outs are coming. They never consider the public welfare or the fate of the underprivileged.

Senator Jacques Hébert said: "This is the only explanation that comes to mind when I try to understand why the government had the audacity to introduce a bill like C-21, which will increase the suffering of the poor and cruelly affect the many people who already face hunger."

What I find very scary about the whole situation is that, with the increase in unemployment, the cut-back in benefits and the heavy burden placed on our welfare system, what we will have are more underprivileged, undernourished and underutilized Canadians and this is a very sad situation. In Atlantic Canada it is even more sad, because we have the highest unemployment rate and the highest welfare levels. Quite often we hear the Minister of Employment and Immigration boasting about retraining and job creation and about the way this is going to solve all of our problems. Certainly we need training, and we need qualified people all over the country to do the training. In many instances, the bottom line is that you can do all the training you want, but in certain areas there are not very many jobs where these people can work.

• (1140)

In my home province of Prince Edward Island, and all over Atlantic Canada, the number of jobs for which you can retrain people is very limited. We realize that we can train people, who then could move on to other parts of Canada or to other areas of their region. There is nothing wrong with this, but when you train people with money taken from unemployed people for jobs that do not exist, it does not seem like a very realistic goal.

I suggest that the government, with all its great ideas and its many millions of dollars, should create an economic and industrial situation where realistic industries will be established in the outlying parts of the country. This will give people a place to work, where they can be trained for jobs. They can then go on from there.

I agree with a statement that the hon. member for Notre-Dame-de-Grâce has made on many occasions, that the training money should not come from the pockets of those who pay unemployment insurance premiums, neither the employer nor the employees.

Many people say: "There are lots of jobs in central Canada. What is wrong with young people moving to find work?" There is nothing wrong with that. In fact, it is good for young people to move around their country. Many people have moved from east to central Canada and to the west. People from the west have moved to central Canada and to the east. This is a great thing.

It is very easy for us to say this, but there are many people in the age group 30 to 40 who are already married and raising families. It is very hard for them to uproot themselves and move to other parts of the country, when they do not know whether jobs exist there. It does not matter where many of these people live, they do not want to leave that particular part of the country, because neither their parents nor grandparents left it.

The cold hard facts of life may be that this is what is going to come, and that we have to prepare people in a different way. There has to be another way of teaching people that perhaps the part of the country where they grew up is not where they will be able to live. This is a very cruel thing to say.

In conclusion, if the government's true goal is positive reform of unemployment insurance, it should not hesitate to pass any of the amendments that are proposed by the other place. The amendments are moderate, sensible and sensitive to both the government's professed goal of deficit reduction, and the needs and dignity of unemployed Canadians.

The key word is dignity. For this reason, I fully support these amendments and urge the government opposite to do the same.

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, today, I will again try to convince all Canadian parliamentarians of the relevance of Bill C-21, tabled by our government to amend the Unemployment Insurance Act. I will look at this reform from the perspective of the twenty-first century. I will then consider the political aspects of the new legislation and its positive impact on the labour force across this country.

As you know, the text of this legislation reflects the goals of our comprehensive Labour Force Development Strategy, and in fact, both documents form a whole. Our objective is to get employers, unions, governments and all Canadians involved in taking every initiative they consider appropriate to raise the level of skills of our workers.

We also want to implement the policies, programs and employment approaches that will help workers achieve their potential in a technological world where the demand for skills is becoming increasingly sophisticated. The government intends, without further delay, to take appropriate steps to ensure that Canada's labour force is able to adjust to rapid changes in the job environment as a result of major demographic shifts and major changes in technology. Our prosperity and standard of living will depend very much on our vigilance and the speed with which we act. Canada, like other industrial nations, faces a world of increasingly open markets where incredible opportunities are within our grasp. However, the competition for these markets is steadily increasing. We must be prepared for these changes: time is of the essence.

Bill C-21 proposes a comprehensive approach that will help us solve our problems. Bill C-21 updates our unemployment insurance system while making it possible for more claimants to train for new technologies. Without wishing to be alarmist, we must realize that technological change means our workers must acquire additional skills. We cannot escape this imperative. A day of hesitation is a day lost for the quality of life of our workers.

The message of Bill C-21 and the Labour Force Development Strategy to the people of Canada is this: Be prepared. Prepare for your future. Learn new technologies now.

To young Canadians particularly, we want to say this: Get an education and be prepared to consider training as an on-going process. Madam Speaker, enough time wasted. It is imperative that Bill C-21 be passed and receive Royal Assent. The benefits for Canadians are tremendous. Everywhere I go, I meet people—development officers, workers, unemployed Canadians—who share our views on the Labour Force Development Strategy and Unemployment Insurance reform.

Since 1984, we as a government have started a thorough review of the legislation. Gradually and systematically, we have taken a number of measures whose ultimate goal is to adapt our legislation to the concrete needs of the workers of today and tomorrow. As part of a logical and well-thought out approach, our Labour Force Development Strategy contains four major goals which I may perhaps recall this morning.

First, we want to see a substantial increase in the private sector's role in training these workers and in ensuring that training is more responsive to present labour market needs. We realize it is our role to support the private sector in this very important task: to work with that prime resource, the Canadian labour force.

Second, we have decided to reallocate part of the unemployment insurance budget to increased funding for training and re-employment. Some substantial changes have been made, as we all know, and all these changes will benefit our workers.

Third, we want to improve unemployment insurance benefits, in order to be more responsive to the needs of working parents and workers over 65. The latter are now taking advantage of their right to continue their career, and we must adjust to this new situation.

As Minister of State for Seniors, I had an opportunity to talk to this group of workers who want to stay on the job and have a lot of questions about the changes that are urgently needed.

Finally, we want to reduce work disincentives which have tended to make the present system one under which recipients no longer actively seek employment, a situation that has gone on far too long. For each of the goals I just mentioned, we have allocated funding at levels appropriate to new demands and to a modern and pragmatic view of the situation.

Our programs thus include more help for the private sector for human resource planning and training and special assistance for older workers who must relocate. They also provide career training for young people and projects to help revitalize local economies. As a government, we believe in dynamic communities. We are prepared to listen to them and to work in partnership with these communities because they are the only ones who really know their workforce training needs.

As you no doubt know, Madam Speaker, the changes to the old Act reallocate $800 million. These funds will help us launch our labour force development strategy. Once our bill is passed and implemented, there will be more funds for basic training of beginning workers. The funds for the co-operative education program, which is working very well, will be increased fourfold.

• (1150)

Under our proposed changes, $350 million from the UI Fund will be used to increase the aid now given to programs for training, relocation assistance, entrepreneurship and re-employment.

Employers will receive more help for human resource planning. Nearly 41 per cent of full-time workers received no training in the last two years and 53 per cent of unskilled workers receive no training at all. This stagnation worries us because it creates a lack of mobility that harms our economy and runs counter to the present trend of globalization of markets.

In our Bill C-21, we see an opportunity for all Canadians to take a new attitude to their obligation, where they are, to train and retrain throughout their career. As technology changes, Canadians must acquire new skills. Our goal is flexibility.

But we must also note that Bill C-21 is much more than an economic catalyst. This bill faithfully and realistically reflects changes in Canadian society. Finally, the benefits of our new UI plan will comply with our Charter of Rights and Freedoms.

I am convinced that we have chosen the right path and I am proud to belong to this government that wants to reform this very important social program. We are convinced this is the best way. We chose this approach after repeated consultations with our economic partners. Since 1985, a sound relationship has been established which has helped us acquire specific insights and respond to genuine needs.

Employers, unions, academics and directors of associations convinced us that training was an imperative need. We were mindful of this in developing our reform.

Our bill kills two birds with one stone. First of all, it reinforces the ability of the unemployment insurance system to continue to function as a safety net for people who need it. Second, it provides skills training and offers other specific measures to help claimants adjust to changing labour market conditions.

The new legislation will also change entrance requirements and benefits. These changes reflect wide variations in unemployment across the country. They will mainly benefit claimants living in regions with the highest unemployment rates, where job opportunities are scarce. Where equity had to be restored, we saw to it that it was done.

When the new legislation is passed, claimants will have to accumulate from 10 to 20 weeks of employment to be eligible for benefits, depending on the unemployment rate in the region where they work. This makes for a system that is far more sensitive to unemployment rates and to labour force mobility.

The new legislation will increase penalties for persons who quit without just cause, refuse a suitable job or are fired for misconduct.

The benefit period will be based on the number of weeks of employment and the regional unemployment rate. However, the present three-tier structure will be brought back to a single tier.

We are proposing a complete overhaul of the present system for maternity, sickness and parental benefits. The proposed changes will enhance the flexibility of the benefit system and extend the benefit period, and as I

said before, these changes will be in accordance with the Charter of Rights and Freedoms.

Madam Speaker, our new legislation gives workers aged 65 and over the kind of protection they have never had before, because we want to protect the rights of all workers. The people in this age group have no obligation to withdraw from the labour force, and they should be treated fairly. That is what we have done.

Together with our Labour Force Development Strategy, the Canadian Jobs Strategy is a fundamental tool for this government in achieving the main objectives I have mentioned. We have developed six programs, which I will describe briefly.

The Job Development Program was designed to help the long-term unemployed re-enter the job environment with the help of on-the- job training or training in an educational institution.

The Job Entry Program helps people who have trouble entering or re-entering the labour market. It addresses the needs of women, young people and individuals with serious employment problems. Thanks to the UI reform, we have the money to provide additional resources and assistance to reinforce this program for young people, women and the disadvantaged.

We also have the Skill Shortages Program which gives employers the help they need to train employees for jobs where there is a manpower shortage.

The Skill Investment Program is designed for workers who have just been laid off or whose jobs are changing as a result of technological change or developments in the labour market.

The Community Futures Program responds to the needs of small communities experiencing chronic unemployment. We provide training support and assistance for development projects, entrepreneurs and relocation of businesses. The program operates as a partnership with the communities.

Finally, the Innovations Program, as it name indicates, promotes the development and testing of innovative solutions to labour market problems in specific areas.

The programs I just mentioned are already in effect and will be continued after Bill C-21 is passed. They are a logical component of our overall approach to unemployment insurance claimants and the various programs we have set up to help them re-enter the labour market as soon as possible and find the jobs they need.

Madam Speaker, adopting Bill C-21 and the Labour Force Development Strategy will make it possible to provide a pragmatic and intelligent solution to many of our labour market problems.

This legislation should be passed without delay. Thousands of unemployed workers and people who are otherwise disadvantaged stand powerless, waiting for the funds the government is prepared to allocate so they can upgrade their training and adjust to the demands of new technologies.

While we hesitate to pass this bill, our competitors continue to step up the training of their workers and to raise their skill levels. Canadian workers deserve better than the present lack of action from Parliament.

Most Canadians, I repeat, approve the direction taken by our government. In a Decima survey, more than 60 per cent of those questioned support updating our unemployment insurance legislation and our options for labour force training. The survey also tells us that more than 90 per cent support what we propose to help claimants find a new job. Eighty-five per cent would support the required changes, as we propose, to give Canada a more qualified labour force.

From having worked with associations of the unemployed before 1984 and from having crossed Canada since 1984, I personally tell you that the reform before us meets the specific needs of the men and women of Canada.

If we heed the recommendations of experts, the desires expressed by the public, the demands of the global economic reality, we will pass Bill C-21 quickly. Let us do so without delay for the sake of this objective, the quality of life of our Canadian workers.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, the minister and her government, in answering the message from the Senate, accepted one important change and the principle of two more, which they will incorporate in the bill.

The first amendment adopted, 5(b), deals, as we know, with the unserved period of disqualification imposed on someone who has to, or wishes to, leave a job without valid reason.

The second concerns the training plan to be submitted to the House of Commons for consideration.

• (1200)

The third amendment concerns fishermen's benefits, which, as we know today, are in the regulations and not the legislation. The government agrees to put the regulations on fishermen's benefits into the legislation, which is a step forward.

I must say that we agree with this approach, although these three amendments are very timid, because they are well received by the unemployed and the workers of Canada.

Nevertheless, the government is still hesitating and waffling on the essence of this bill, which is the complete withdrawal of the Canadian government from the financing of unemployment insurance in the years to come.

The burden will thus be borne by the workers and employers, which we do not think is the way to go at all, Madam Speaker, because we believe that the Government of Canada has an important role to play in funding unemployment insurance in the regions with economic difficulties that they cannot face, in some cases, without the help and support of the rest of the country.

I would like to ask the minister a question: The minister knows very well that Bill C-21 is an amendment to the original legislation, the revised 1971 Act. I have already argued in this House, as I am sure the minister knows, that what the Senate wants to do is reduce the present imposition by half. The present legislation provides that the government cover a large part of the cost of unemployment insurance throughout the country.

The Senate proposes that the federal government, instead of eliminating its contribution completely, contribute at least 50 per cent of the cost of benefits.

I ask the minister whether she really has a serious reason to tell Canada's unemployed that the federal government's spending power will no longer benefit them, in order—take note, Madam Speaker—to reduce the deficit. I ask the minister whether this government wants to wipe out the deficit—and it doubled the debt in the last five years—by saving money on unemployment insurance. How can they justify asking Canadian workers, Madam Speaker, to accept this government's passing the burden of lowering the national debt onto them while withdrawing its spending power for funding unemployment insurance?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): The answer is very simple, Madam Speaker: It was common sense.

We have known for a number of years that it was imperative to change the unemployment insurance system which, as you said before 1984 and as we have said since then, takes a far too passive approach.

The present government has a number of important objectives to meet, and the Senate's proposal is diametrically opposed to our objectives, which are to reduce the deficit, improve our social programs and reform the unemployment insurance system which we believe is too passive.

What we want to do, in co-operation with employers and workers, is be able to rejuvenate the labour force strategy and prepare that primary resource, our human capital, for the competition we can expect on a global market, and meanwhile achieve part of our initial objective which is to reduce the deficit. Once that has been done, we will be able to improve our social programs.

I know, from having talked to many unemployed workers, that our strategy appeals to Canadian men and women. It appeals to our departmental officers who are ready to work on these training programs.

The strategy appeals to our communities which during the past two years have worked very hard, with the help of volunteers, to define employment and development strategies and make recommendations to the government, recommendations we are now considering and intend to implement.

Bill C-21, while making it possible to reduce the deficit and at the same time maintain a safety net for those who really need it, also provides the resources to reinforce our Jobs Strategy programs, to reinforce this form of partnership with our young workers, and at this point I wish to pay tribute to the energy and enthusiasm of our volunteers, to the people who want to improve

conditions in regions beset by unemployment rates that are far too high.

I can say I am proud to belong to a government that has these important objectives and that looks to the future. That is why we are proposing this reform. And if you are so concerned about the well-being of the workers of this country, I suggest you hurry over to the other place and ask your friends to pass Bill C-21 as soon as possible.

[*English*]

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I listened with a great deal of interest to what the minister said, but I did not find the comments to be all that convincing.

It is certainly true that the government has run into some trouble with the Senate—let us call it what it is—insofar as the passage of Bill C-21 is concerned. In no way does that excuse the government's lack of action in bringing in the variable entrance requirements, something that has traditionally been done over the last decade, in order to make it possible for people to be able to qualify for unemployment insurance at a lesser period of time than 14 weeks. There is no excuse whatsoever for the government not having done that. It certainly could have brought in other provisions as well, such as parental leave.

I would like to ask the minister specifically: Why was the government so adamant in not bringing in the variable entrance requirements before the end of the year in order that those people who came from regions with high unemployment were not able to access the rates and benefits which in any other year they would have been able to do?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): For the simple reason, Madam Speaker, that our bill and our reform contain this sensitivity to unemployment rates that vary from region to region and from sub-region to sub-region. The reform and our bill reflect our concern for peripheral regions with higher unemployment rates.

Madam Speaker, this legislation will help us increase the amount of training we provide, meet specific needs, and be more sensitive to regional unemployment rates. The variable entrance requirement is included in our unemployment insurance reform because our overall perspective bids us to give special consideration to those regions that are economically sensitive, and we also know that if we are to meet the requirements that will exist in the year 2000, we will have to provide training and do so in co-operation with employers and workers, and that is exactly what we intend to do with our Labour Force Development Strategy and Bill C-21.

[*English*]

The Acting Speaker (Mrs. Champagne): Resuming debate with the hon. member for Saskatoon—Dundurn.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I am certainly glad that I did not have to answer the last question which I asked. For the government not to have brought in the variable entrance requirements, which was certainly an option it had, demonstrates the mean and lean and vicious temperament of this government in many different areas of endeavour.

• (1210)

Over a year ago now when Bill C-21 was introduced in this House, the major government propaganda paper that was submitted with it was a piece of garbage called *Success in the Workplace*. We have had ample opportunity over the last year to see that government members have not been too successful in putting forth the concepts in Bill C-21 and for very good reason. It is not an accident that they find themselves in what may very well turn out to be a constitutional problem with the Senate at this time.

I could not believe it when yesterday, over a year after it had been introduced, the minister said very nearly the same things which had been said a year ago. The vision I had as she was presenting her speech yesterday was that she could hardly contain herself from not hugging herself; she was so pleased with what she was saying and so pleased with what Bill C-21 was supposed to be doing. I cannot believe that after a year she would still feel the same way about such an horrendously bad piece of legislation and something with which the government had so much trouble.

The assurances with which it was introduced have shown to be hollow, and there are a good many reasons why we would conclude that they are so hollow. There

were assurances about training and assurances about the training ethic, for heaven's sake, which we may or may not get into later. In case we do not, I will just mention the private sector becoming more involved in the training of Canadian workers. We have not heard too many references to training ethic in relation to Bill C–21 since, with very good reason, because it is something that they are not all that much committed to.

They talk in the most glowing terms of human resource planning. They talk about maternity benefits that are going to accrue under Bill C–21, the benefits to those over 65 years of age and parental benefits, the last two of which except for some change of heart—and I am at a bit of a disadvantage to understand why—were really imposed upon the government as a result of court decisions. As far as the paternal leave was concerned, there was a point up until very shortly before this legislation was introduced where they were going to challenge the decision of the court that parental leave should receive a similar kind of consideration along with adoptive leave. That is just a bit of an indication of how really insincere this government is when it comes to the actions and benefits of Bill C–21.

There are references to the other things to which I have referred such as assistance for social assistance recipients. I would suggest that for the most part every one of those grand and glorious things that they so often fall back on and refer to has very little to do with what Bill C–21 really does. The only way that they can claim any validity as far as Bill C–21 is concerned is that the money they are robbing from those who become unemployed, paid for by those people before they became unemployed, and the money that they are robbing from the UI fund which is now going to go out of the UI fund is totally divorced from Bill C–21. That is why I cannot understand them even referring to these actions within Bill C–21, except that is where they get the money for the training. That is where they are going to get the money for the human resource development. That is where they are going to get the money for Community Futures. That is where they are going to get the money for some of these things that go along with training. That is fine, and we will come to that later.

There are very good reasons those things should occur. However, there are even better reasons those things should not occur in relation to Bill C–21. I think that the government is really stretching the credibility of Canadians a long way, particularly those who understand the implications of Bill C–21, to be speaking of them in the same breath at all.

Bill C–21 was introduced with glowing assurances a year ago. It is tremendously fortunate that it has taken Bill C–21 as long as it has to go through this Parliament because it has given us a chance to look at what this government does in relation to other endeavours which it has carried out over the year. We have seen that there is no reason whatsoever to feel any assurance that the benefits the government states will accrue from Bill C–21 will in fact happen.

As with many other things in which the government has involved itself and the Canadian public at the same time, we can only assume that working Canadians and those who become unemployed are in for an extremely rough time. I would suggest that the proof lies in the results of other government actions throughout the year.

When Bill C–21 was first introduced, we had not yet been exposed to the clawbacks. We had not yet realized that this government was so mean spirited that it would be taking back from the children of this country what little accrues to them through the family allowances. We had not realized that our senior citizens, those who had served this country so well and had established many of the principles upon which this country, government and Parliament are based, would have part of their old age pension clawed back.

The government has used closure innumerable times, in relation to Bill C–21 itself and almost every other piece of legislation that has gone through this Parliament. The closure principle within Parliament is one of the meanest, vilest, most desperate measures that governments can use. This government has used closure so often that is becoming almost meaningless to refer to it. In the last year the closure motion was used by this government some 35 times.

The government has introduced clawbacks. What about the sacred trust? There is no reason why the Canadian public should have any faith in this government at all.

The Canadian Centre for Occupational Health and Safety was one of the foundations of protection for Canadian workers in this country. It is going to be

devastated by cut-backs which this government is going to impose upon the Canadian public.

The reference to the Environics and the Decima poll which claimed that the Canadian public was so much in favour of using UI funds for training is rather amusing. If we are going to talk about polls, let us talk about polls that show how the GST is so unpopular with Canadians and yet the government is certainly not going to back off on that. That is another example of how this government, as it admits, is so entrenched in its philosophical desire to change the social fabric of this country that it will not back off.

There are other examples of why we should not be assured that changes to Bill C-21 are going to be of benefit to Canadians, based on this government's demonstration of animosity toward the Canadian public.

The government that wants to bring in Bill C-21 is so caring and democratic that it arrested two solitary demonstrators outside the entrance to the House of Commons. Would a government that brings in that kind of a regulation and does that to two solitary demonstrators within feet, literally, of this very Chamber, have any particular democratic regard or economic regard for the welfare of Canadian workers and whether or not they are unemployed? I would suggest that the answer is no.

• (1220)

Last December the government brought in back-to-work legislation to force their most disadvantaged employees back to work. These employees were disadvantaged because they were unionized but also because they had been prevented from going on strike ever since the moment they were unionized.

Part of the dispute surrounding that back-to-work legislation was affirmative action. I may be wrong, but it seems to me that yesterday the minister made reference to affirmative action and equal opportunity. I would suggest that any reference to affirmative action and equal opportunity made by the minister yesterday rings particularly hollow and is just that much more of an argument that what the government is proposing to do with Bill C-21 will not meet with success. The government forced workers back to work, mostly women, when tribunal after tribunal had determined that those women had been improperly paid for a long time, and that they ought to be properly paid. The government forced them back to work without addressing that situation at all.

It is absolutely foolhardy for this government to say that Bill C-21 is going to be beneficial. I would suggest it would be more foolhardy for the Canadian public to ever disabuse themselves of the idea that Bill C-21 is going to be beneficial. I am certain that there is going to be a tremendous amount of hardship wreaked upon the Canadian public when those provisions are brought into force.

The Government implies that once Bill C-21 is passed training will be available to the unemployed, and I would suggest even more particularly to those who have not yet found a job, or to those who will be re-entering the workforce after some time. The implication is that there will be training. They will find that nothing could be farther from the truth.

The very best we can hope for is access to training by a doubling of the number of people who have had access to it in the past. In the past, that number was 3 per cent. At the very maximum, the availability of training for people will be 6 per cent of over a million people who are unemployed, 94 per cent of whom will be thinking they will be able to avail themselves of training only to find out that they will not.

The language with which this bill was introduced and the language with reference to training in this bill is nothing more than trying to get people interested in a lottery.

This government ought to be saying to people that the fact of the matter is that there is a limited amount of money so not everyone will be able to access training. That is the real dishonesty of what this government is doing. Under the present unemployment insurance legislation, if you become unemployed at least you can get unemployment insurance, and to imply that if you become unemployed you will be able to access training is totally dishonest. I would suggest that spending U.I. premiums on training is no way to ensure that people will receive training and it is particularly vicious of this government to make those implications.

The government talks about all this money that is going to be available for training. The question that naturally comes back is, where is the money coming from? The answer is that the money is going to be coming from the victims, those who are going to be unemployed, because they will have to work longer to qualify for less. Employees will have to pay more in

premiums and they will receive less, and then the penalties will be increased.

When the bill was first introduced the government said that the abuse of the system was not very high. Whether it was in the committee, whether it has been in this Parliament, as recently as yesterday when the minister made her reintroduction of comments on this bill, the was reference to abuse. I would suggest to this government that if it really believed that doing away with the so-called abuses within the UI system will put people back to work, then the very best thing that could be done would be to do away with UI altogether. If that is the kind of incentive we need to get people back to work, do away with it.

I would suggest that if the government did away with the unemployment insurance scheme, there is not one more person who would find a job. The reason is there are not any jobs out there. It is lack of jobs that is the problem, not that people are abusing the system and not that the fund is necessarily badly abused because people are supposedly drawing more heavily on it than they ought to be.

The incentives which Canadians need to get working are good quality jobs at good quality wages for the single moms, the poorly educated and the illiterate. I know people who are illiterate. I know people who are poorly educated. I know that they are working at jobs that are quality jobs. I know that they are working at jobs at quality wages. There are not a lot of those around any more. Illiterate people are not ignorant people. People who are poorly educated are as able to take their place in Canadian society as anyone else, if the jobs are there for them to do. They are capable of being as gainfully employed as someone who is highly technically trained or professionally trained, and are capable of earning a living if the jobs are there. I am not saying that someone who cannot read should not be given every opportunity to read, but I would suggest that taking funds away from the unemployed is hardly the way to do it.

I suspect that I am running rather short of time. I see that I have one minute. There is so much to be said but I would like to conclude by moving:

That the motion be amended by deleting all the words following the first word "THAT" and substituting the following therefor:

"The order for the consideration of the amendments made by the Senate to Bill C-21, An Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act, be discharged and the Bill withdrawn."

[*Translation*]

The Acting Speaker (Mrs. Champagne): With leave of the House, the Chair will take this amendment under advisement and come back later with a decision. Questions and comments.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, I know there are several members on both sides of the House who would like to speak to this particular motion and I am wondering if there might not be an agreement to allow us to sit through the lunch hour and to therefore get on two, maybe three more speakers which would probably be helpful to all sides of the House.

• (1230)

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, we, of course, would not oppose such a proposal, although it does play havoc with plans for the lunch hour of some people. They did not know they would be here speaking and had engagements outside. Of course, if it is in the interest of debate and furthering the advancement of the cause of trying to get this government to understand reason and to change its mind on Bill C-21 and make it more humane, we will try to do that during the lunch hour.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, on behalf of the New Democratic Party, I can also consent to the request to sit through the lunch hour. We, too, believe that the issue demands as much attention as can be given to it. Hopefully, with reasoned debate from this side of the House, government members will see fit to do what is proper in this case.

The Acting Speaker (Mrs. Champagne): Questions and comments, the hon. minister.

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, I would like to know how the hon.

member opposite can say, with a straight face, that our proposal is taking funds out of the Unemployment Insurance Fund. He gives the false impression that what we are doing with this legislation is reduce the safety net, which, however, is still in place and will be maintained. He knows perfectly well that the money comes from a transfer of funds within the unemployment insurance system which will help us improve social benefits for workers and provide an incentive for the unemployed to find jobs. My question is this: Since his party is against tax increases and increasing the deficit, how would he consider financing this additional training?

[*English*]

Mr. Fisher: Madam Speaker, I am not entirely sure whether I understood the minister's comments. I think I heard the minister say that this was merely a transfer of funds within the unemployment insurance fund. I hope that is not what I heard, because C-21 really does not do that. Bill C-21 removes from the public Treasury any assistance to people who have been working and become unemployed.

Previously, the extended benefits to fishermen came out of general revenue. Previously, other extended benefits as well came from general revenue. If a worker was unemployed and able to access a training program which continued past the expiry date of his or her entitlement to unemployment insurance, the unemployment insurance did not cease. It continued and the continuation of those payments came from general revenue. That will no longer be the case.

In a very real sense, that worker who had been working and contributing to the unemployment insurance fund, at least in some small measure, will be paying a portion of the the cost of his or her own training subsequent to the passage of C-21.

The money the government is always talking about which will be available for training—this $1.3 billion or whatever it is—is money which used to come out of general revenues and went to the direct benefit of the unemployed. That will no longer be there. I have no problem with those on social assistance receiving training. I have no problems with those on social assistance receiving much more social support than they do now.

What I and almost everyone, including employers, who submitted a brief to the parliamentary committee on Bill C-21 objected to was the abuse of funds for those kinds of things, taking it out of the unemployment insurance fund and putting it into there. If the minister meant that it is the juggling of those funds from one side of the Bill C-21 barrier into the public domain, I object to that. If that is what Bill C-21 is doing, then I have been misled and I think the public has as well.

The fact is that the UI fund has now been privatized. The employers and employees who will become the recipients of any benefits from unemployment insurance after Bill C-21 is passed are going to be the ones contributing to it and benefiting from it.

An hon. member: What's wrong with that?

Mr. Fisher: Well, I may be wrong but—

Some hon. members: Of course you are.

Mr. Fisher: I may be wrong in what I am about to say, but I believe that a tremendous amount of public funds goes into the training of lawyers. A tremendous amount of public funds goes into our universities for the training of accountants. A tremendous amount of money even goes to support General Motors and a good many other corporations within our society.

If we can use public funds to train lawyers, we can use public funds to train machinists and mechanics and, yes, labourers, too—

Some hon. members: Oh, oh!

Mr. Fisher: —because, when one becomes unemployed, one is going to be, quite literally, paying for that trades training out of one's own pocket.

Mr. Howard Crosby (Parliamentary Secretary to President of the Treasury Board): Madam Speaker, we have been treated in the House of Commons to the worst parade of socialist myths that I have heard for some decades. We have heard every one in the book: that we do not pay for medicare, medicare is free; that unemployment insurance is a benefit that can be distributed without regard to the source of funding; that everything is free; that money grows on trees; and that one does not have to balance revenues with expenditures. We have heard all the social myths, ending with the worst social myth of all: there can be progress without change. One

does not change the unemployment insurance legislation, but one just learns to live with it.

The member also had the nerve to mention strikes. He did not think of the other side of strikes. He did not think of the veterans who did not receive hospital care while the hospital employees were on strike. He did not think of the fishermen, some of whom perished at sea, while the ships' crews were on strike. He made no mention of them. He made no mention of essential services.

He was concerned because the government dared to interfere with a strike in order to try to benefit the veterans and seafarers of Canada. He made no mention of that and no mention of the fact that, in the end, through the awful vehicle of compulsory arbitration, the ships' crews got pay equal to everybody in Canada plus an 8 per cent increase. There was no mention of that. The bogy of compulsory arbitration is just another socialist myth.

Who speaks for the workers of Canada? Does the member speak for the workers of Canada who never collect unemployment insurance but have to pay increasing premiums, even though the unemployment insurance rate has gone from double digits down to 7.5 per cent across Canada under this government? Despite that, workers have to pay higher and higher unemployment insurance premiums to pay for this system which he supports and does not want to change.

What about the steel workers? What about the 500,000 government employees who do not collect unemployment insurance? Does he want them to pay for all the waste in the unemployment insurance system, or does he want it to change? Does he want it to receive positive emphasis so that the people who pay will get the benefit and the people who need the benefit will receive it, but not those who simply use the system?

• (1240)

Mr. Fisher: Madam Speaker, I am very pleased that I did not make that last comment. I would like to tell my hon. friend from Halifax that for all my working life I have contributed to the unemployment insurance fund and I have never collected one cent. I have never begrudged any worker, anywhere, who did. I and the workers of Canada resent the implication that there is a lot of abuse.

Some hon. members: Oh, oh!

Mr. Fisher: Insofar as the strikers are concerned, the minister seems to have a rather short memory. Time after time he attributes the loss of lives to the ships' crews strike. As a matter of fact, the ships' crews reacted in all haste whenever there was an emergency and there was no loss of life or shipping attributable to that strike whatsoever because they responded. The minister knows that. Even to imply otherwise is tremendously dishonest.

As far as the veterans are concerned—

The Acting Speaker (Mrs. Champagne): Order.

Mr. Fisher: May I have a minute or two to wrap up?

The Acting Speaker (Mrs. Champagne): In letting the hon. member know that his time had expired, I was prepared to let him complete his sentence, but certainly not to continue for two minutes.

Resuming debate, the hon. member for Gander—Grand Falls.

Mr. George S. Baker (Gander—Grand Falls): Madam Speaker, I would like to say just a few words concerning this motion before the House. The Unemployment Insurance Act was changed by the Government of Canada by way of a bill which was rejected in the House of Commons by the opposition parties. That bill went to the Senate which examined it and made amendments.

What does the unemployment insurance bill do? It cuts back on unemployment insurance benefits. It cuts back because the triggering point for receiving unemployment insurance benefits under the new bill is changed so that in most parts of Canada more insurable weeks will be required than are at present. There are no other changes as far as I can see.

We have heard a lot of talk about training and changing the Unemployment Insurance Act so that somebody can be educated or re-educated. I do not see a change in the bill saying that if one wants to attend a vocational school or university one can collect unemployment insurance while going there. The act still states that, if one is attending a full-time course of instruction, one does not qualify under the Unemployment Insurance Act.

The Government of Canada turns around and says that it is going to allow certain people to collect unemployment insurance because it is going to buy certain seats in training schools. It does not say that everybody qualifies, as it should say. Therefore, it creates a built-in discrimination against young people and older people. In

our vocational and training schools, somebody sitting in one seat is getting unemployment insurance, while the person in the next seat cannot qualify, even though they had worked in the same place.

Anyone who is familiar with the law and jurisprudence surrounding this act, or who has examined the jurisprudence laid down by federal judges—and it amounts to some 12,000 cases in the last 15 years or so—will know that it is very confusing. A person entering university will say: "All right, I was working, I am applying for unemployment insurance benefits and I am going to take three courses and maintain my status as a full-time student. I am going to be available for work. I am going to go out and look for employment. I am going to sign a sheet of paper that says that if I can find a job I will leave the school that I am attending."

The law is the law is the law, and the law has not been changed by this government to amend that section of the act that should be amended.

I recall that when the government was campaigning in 1984, it came out with a policy which was right at the top of its policy list to allow people, if they qualified, to collect unemployment insurance benefits while they attended a full-time course of instruction. It was never done, but what a marvellous policy that would be if it was actually implemented.

Every works program of the Government of Canada in Employment and Immigration is under the heading of training. In other words, if you go to work on a works program it is for training for something. If a community wants to receive any type of federal money, it has to be for training somebody to do something.

For example, take a community that is surrounded by forests in which there is a sawmill that has closed. The community applies for a works program for a year to thin the forests. Under this government, the only people who qualify to go to work in the woods are people who have never been in the woods before.

The whole structure of job creation has changed under this government so that the only work available through the Government of Canada in a logging community is for non-loggers who are going to be trained to become loggers when all the other loggers are out of work. Or you might find 10 or 12 out-of-work carpenters in a small community where a job comes up to build a public building, but they are not allowed to work on that project because they are already carpenters.

Because all of the money for works programs is zeroed in on high unemployment areas, you find that the very people who are out of work and who need work cannot go to work. You put more people into that vocation to put them out of work because once they have worked at it for one year they are not allowed to work at it for the next year.

This business of training really has no justification at all as a positive measure under this particular bill. The average unemployment insurance cheque in Canada today is about $204.50. Imagine, Madam Speaker, all the people abusing that system. Imagine abusing the system to collect $204 when, depending upon your circumstances, you would qualify for almost that amount of social security, depending upon which province you live in.

• (1250)

The list of cases of abuse that were just referred to are commonly identified as overpayments by the Unemployment Insurance Commission and the Auditor General. The principal cause of overpayments in Canada is a mistake by the Unemployment Insurance Commission. Under the Unemployment Insurance Act, if the commission makes a mistake, or if the employer makes a mistake on his books, it is registered as an overpayment and the amount of the overpayment is to be paid back by the recipient.

Most of the overpayments were caused by mistakes by the Unemployment Insurance Commission, or by the employer. What is this poor person supposed to do who is getting $204 a week, the average unemployment insurance cheque?

By the way, the total number of people receiving unemployment insurance in Newfoundland today is about 120,000. There are only 240,000 in the workforce, yet this government claims that the unemployment rate is somewhere around 12 per cent. The hon. gentleman is finding that difficult to understand. In some provinces when the unemployment rate goes down, the total number of unemployment insurance recipients goes up. It is interesting, if you are doing a budgetary analysis, to be asking for more unemployment insurance money

because your unemployment rate had actually gone down. The reason for that, of course, is that it is short-term employment. When you have an increase in short-term employment you also have a subsequent increase in the number of people collecting unemployment insurance benefits.

Just imagine saying that there is a lot of cheating going on, that people are using the system. What are they using the system for, to get 60 per cent of their wages to a maximum of less than $400 a week? That is quite a using of the system. A straight investigation would find that the cause for these overpayments is not the people themselves, but some mistake by the commission or the employer.

I noticed another misconception. The Minister of Fisheries and Oceans went down to Newfoundland and Nova Scotia the other day and said on national television that people enter the fishery and work for 10 weeks and then they go home and sit down for 42 weeks. And he said: "Is that the kind of example that we want our young people in Canada to follow?"

For the information of the Minister of Fisheries and Oceans, nobody, not one fisherman in Canada, ever worked for 10 weeks and sat home for 42 weeks. Never has one and never will one. Of course, the reason for that is quite simple. You see, when you are a fisherman you can only collect unemployment insurance benefits from the middle of November to the middle of May.

The Minister of Fisheries and Oceans had a press conference on national television and said that fishermen work for 10 weeks and sit home for 42 weeks. Every fisherman scratched his head and said: "How can I do that when I can only collect for six months under the law of the land?"

Mr. Crosby: Be a fish plant worker.

Mr. Baker: That is not a fisherman, it is a fish plant worker. There is quite a distinction.

As far as changes are concerned, hon. members on the government side said, "We want to change the Unemployment Insurance Act". How about changing it to make it fairer, to end the discrimination that is built into the act that has arisen from recent changes made by the Government of Canada? As I suggested before, why not make everybody eligible for unemployment insurance benefits if they are attending a full-time course of instruction to educate themselves? Why not change the fisheries regulations to make them exactly the same as labour legislation and allow fishermen to draw unemployment insurance as any labourer or fish plant worker does? Why discriminate against a fisherman and not only limit him to November to May but also take 25 per cent off the top if he is a boat owner? There is built-in discrimination in the act.

There are some things that it is not necessary to change. The section of the act relating to someone who quits is being amended. The government is saying that instead of a six-week penalty there is going to be an eight-week penalty. That really does not mean anything under the law because it is the Unemployment Insurance Commission that determines the period of time, from one week to six weeks under present legislation, that a person is going to lose if they quit their employment without just cause.

The definition of "just cause" under the act is very explicit. The commission may say that person had good cause but did not have just cause and so is going to be penalized for two, three or four weeks. Sometimes you see a six-week disqualification, although not very often because you would have to be kind of stupid to quit your work to collect unemployment insurance at 60 per cent of what you were making, a cheque of, on average, $200 a week. So there usually is some cause involved.

There are sections of the act that should be changed, that it would be very simple to change. I have always suggested over the years that we ask the ultimate experts on the Unemployment Insurance Act what changes to make. There is one group of people who are experts on the Unemployment Insurance Act. They are justices of our courts.

Justice Dubinsky from Nova Scotia recently passed away. He was a learned gentleman who knew the Unemployment Insurance Act perhaps better than anybody in Canada knows the act. There are many other justices who know the act inside out. There is Justice Martin and other justices who could be consulted and asked what changes should be made.

Why is it that members of Parliament sit in their offices and do nothing about it? It is because they do not know what to do about it. Take, for example, the case of a man who was working, took sick, and had to go on disability. His place of employment had what is commonly referred to as wage loss insurance or short-term disability through an insurance company, or workman's compensation. There are thousands of cases that are referred to MPs every year.

• (1300)

The gentleman has a short-term disability of 15 weeks. Then he applies for unemployment insurance benefits, but these benefits are based on the top-up in sick pay given by his employer. In other words, after working all his life and then becoming disabled, he ends up with anywhere from $50 to $150 a week unemployment insurance until he can get his long-term disability resolved.

Under the Unemployment Insurance Act, it would be quite simple to introduce an amendment that would say: "Your unemployment insurance benefits would be based on your previous 20 weeks of employment with the company with which you were actually working", as it presently states in the act. There are numerous changes that can be made by the Government of Canada in the abduction sections of the act, but the only changes it made were to save money, to cut back on the benefits and to say: "You are going to qualify for unemployment insurance now, depending on which side of the line you live." This sets communities against communities.

Provinces have never before seen such division with people who are applying for unemployment insurance benefits.

This is an absolutely terrible bill. We commend the people who object to this legislation, and we ask the Government of Canada to accept the repeater provision immediately so that the people in high unemployment areas can collect unemployment insurance benefits with the bare minimum waiting period of 10 weeks.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): As I join in this debate, Madam Speaker, I should like to thank the Government House Leader for giving us a copy of the government response to the last Senate message this past Friday after my request in the House. I am grateful to him because at least we had a chance to consider the government reaction and to familiarize ourselves with the rather complicated provisions contained in this document.

Now then, the speech delivered yesterday by the Minister of Employment and Immigration leads me to the conclusion that the government has paid precious little attention to the debates that have taken place in both the House and the Senate. Its very timid response tells us once again that the government has a one-track mind when it comes to accepting or amending the amendments duly advocated in the Senate message. The unemployment insurance legislation would definitely be improved if these amendments were accepted.

One significant fact is that this is a first for the House of Commons, a historic first in parliamentary life: a response to a message from the Senate has been sent back to us for the second time with what are basically the same amendments, if we exclude those that have been adopted in a previous debate.

[*English*]

When the story on Bill C-21 is reviewed in years to come, it will be seen as one of the most bizarre episodes in the history of this House. Parliamentarians will treat it as a case study on how not to proceed with important pieces of legislation.

Briefly, I want to recall the events starting with March 20, 1990 when we received a message from the Senate telling us that it was insisting on the passage of its amendments to Bill C-21, the unemployment insurance legislation. These amendments were the same ones that were either amended or rejected by the Conservative majority in this House on March 13, 1990.

Instead of dealing with the latest message from the Senate in a substantive way, the government House leader attempted to resolve his political problem by appealing to the Speaker on what cannot be assessed as anything else but spurious procedural grounds. There was nothing before the House, yet he rose on a point of order.

He was allowed to put a long diatribe on the record, contesting the validity of the acceptability of the amendments, and wanted the Speaker to rule them out of order, but the Speaker refused to bail him out. We are now back in the same position that we were in more than

a month ago, that is debating the message with amendments that are in order.

The government now proposes to send another message to the Senate, a copy of which will be appended to today's minutes for those who have time and want to read them. They will find that the government is telling senators that it agrees with a few of the amendments but disagrees with most of them.

I could not find any precedent over the weekend of how the House of Commons responds to messages from the Senate. There is no precedent for the procedure now being proposed by the government House leader. I looked in Beauchesne and found that citation 814 describes the procedure for dealing with Senate amendments. It reads as follows:

> 814. When the House of Commons does not agree to the Senate amendments, it adopts a motion which states reasons for its disagreement. This is communicated to the Senate.

We did this on March 13. Beauchesne goes on:

> If the Senators persist in their amendments, they send a message informing the House of this fact.

We received that message, as I said, on March 20. Beauchesne continues:

> Upon this,—

That is, receipt of the message from the Senate:

> —the House either accepts the amendments or adopts a motion requesting a conference to which each House appoints Members; and a date is fixed for their meeting.

That is part of citation 814. The options provided by Beauchesne when the Senate insists are to either accept the amendments or request a conference.

We cannot go on with this kind of ping-pong game, messages flying from the Senate to the House of Commons, and back and forth. Maybe badminton is a better example than ping-pong; nevertheless, it sounds to me as if we are into a process of tit for tat. That has to come to an end some time.

I would like to continue with the citation from Beauchesne to describe what happens if no agreement is reached at the conference which, in our view, should be called and asked for by the House. I read from Beauchesne's fifth edition, at page 241:

> Should they again disagree, the House may accept the amendments or the Senate may withdraw them, but when neither of these courses is followed, no further action is taken on the bill.

That is the process that has been with us for more than 100 years, and that is the way things usually work out.

It is well described in, I think, Standing Order 57 and in Beauchesne's fifth edition under the heading "Appendix 1, Forms and Formulae", page 283, where the forms which would be used in this event can be found.

This procedure of holding a conference is one that the government House leader is desperately trying to avoid. Although it is provided for in our Standing Orders and is found in all the authorities, the government wants nothing to do with it. It even suggests that this is antiquated procedure not in keeping with modern parliamentary practice. I would say bunk to that. The truth is that though conferences have been available since Confederation, they were first used only at the turn of the century and have been used sometimes since then. Those who are not familiar with the process could look it up. I could give them a long speech as I have all kinds of notes on the conference and how it should be held and how it is to be proposed. But I will not dwell on that today because this may get the government all excited and disturbed.

• (1310)

I want to get back to the message. The government House leader has argued in the House against amendments 5(a), 5(b), 7 and 9 on various grounds. I submit humbly that all his arguments are invalid.

The minister asserts that the amendments are contrary to the principle of the bill. A bill may have only one principle. Otherwise amendments to the clauses would be in order at second reading if it had several principles.

As stated in Beauchesne's, citation 764, subparagraph 3: "The principle of a bill is stated in its long title". The government House leader seemed to think that a bill can have several principles. For example, at page 10140 of *Hansard*, he speaks of a "major principle of Bill C-21" and alluded there were others. He stated that amendments 7 and 9 "are clearly contrary to that principle of the bill". However, he then says, and I quote: "For the Senate to insist upon amendments that essentially undo or negate the principles of Bill C-21—" and he goes on. There cannot be any more than one principle.

I ask the minister, since he used the plural, how many principles does this bill have? If a bill can have more than one principle it follows that it should be possible to vote, "no" to one principle on second reading, and "yes" to another, if he could only find them. There is only one principle.

The Speaker himself in his decision stated that the principle of Bill C-21 is to discontinue government support of the unemployment insurance account. That is one principle that is within the bill.

If you read Bill C-21, there is more to it than that. Many clauses of the bill, if we had to deal with only the principle enunciated the other day, would have to be removed from Bill C-21. For example, those dealing with training and development, retraining programs, and all kinds of other things which do not have anything to do with discontinuing government support of the unemployment insurance account.

Unless we return to the time tested proposition that a bill has only one principle, that the House votes on only one principle at second reading, the whole legislative process would be chaotic and meaningless.

As Beauchesne's states, the principle is stated in the long title of the bill. The long title of Bill C-21 reads:

> An Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act.

That is what this House undertook to consider when it gave Bill C-21 second reading.

[*Translation*]

According to the Government House Leader, Madam Speaker, the Senate amendments fly in the face of the government's budget policies. He argues that the bill is based on government budget policies approved by the House, and he maintains that the Senate does not have the constitutional authority to amend it. What a strange argument, Madam Speaker. The minister claims that the budget vote carries a number of consequences. In his remarks he stated that the vote on the budget was tantamount to automatic clearance to collect taxes. Not true. Taxes are levied against the population, not by a budget resolution but through the legislative process by acts of Parliament. We have no statute like Britain's *Provisional Collection of Taxes Act 1913*. The minister may have drawn inspiration from that legislation, but we do not have anything like it in Canada, it is a British statute. Never has anyone dared to suggest that it applies to Canada.

Then, the Minister claimed that in the case of a budget motion, it is unconstitutional for the Senate to amend Bill C-21 through amendments 5(a), 5(b), 7 and 9.

Madam Speaker, based on that reasonning, had the Senate simply rejected Bill C-21, those amendments would still have been unconstitutional. Even the Minister did not venture to state that openly. However, it is perfectly obvious that those amendments run contrary to the approved budgetary policies of the government. The same holds true for amendments made by the House, Madam Speaker.

Of course, the government House leader is of the opinion that the simplest budget motion referred to in the Standing Orders has an enormous constitutional impact. According to him, that allows the government to levy taxes. That changes the Constitutional Act of 1867, making it possible to force the Senate to adopt all bills relating to budgetary policies as they are approved by the House of Commons.

Madam Speaker, that confines that House to amending money bills. Is there the slightest hint of truth in what the government is saying?

[*English*]

I want to allude to the procedure that was followed prior to December 1968 because it is important. At that time the Minister of Finance presented his budget statement on the motion that the Speaker do now leave the chair for the House to go into a committee of Ways and Means. If after the budget debate that motion carried, the House went into the committee of Ways and Means to consider the several Ways and Means motions tabled by the Minister of Finance at the end of his statement. When a Ways and Means motion had been carried in committee, a bill to give legal effect to the motion was formulated by the minister. Thus, every tax bill originated in the House of Commons as required by Section 53 of the Constitutional Act, 1867.

The constant complaint against that procedure was that tax measures were being debated at least three times. They were debated during the budget debate, in the committee of Ways and Means, and at the several stages of the bills. In the 1960s the House decided to eliminate the Ways and Means stage. This meant that the House would not go into a committee of Ways and Means. This meant that the motion for the Speaker to leave the chair was pointless. The House provided a new form. It replaced that the Speaker do now leave the chair

with, and I read: "That this House approves in general the budgetary policy of the government".

This new motion has no more legislative or constitutional significance than the old one. If carried, it means that the House has not withdrawn its confidence from the government, but it does not modify the constitutional powers of either the House of Commons or the Senate when tax bills originated by Ways and Means motions are before Parliament.

[*Translation*]

In any case, Bill C-21 is not a money bill. Such bills must originate in the House of Commons, following a vote on a Ways and Means motion which is non debatable, as we know, since 1968.

As far as I know, Madam Speaker, no Ways and Means motion relating to Bill C-21 was tabled. The minister knows all that. He knows that Bill C-21 is not a money bill. He knows that, even if it were, a vote does note affect the powers of the House or that of the Senate.

[*English*]

What is he trying to prove? I asked the minister to show me where the Ways and Means motion was put to the House dealing with Bill C-21. There just isn't any, Madam Speaker. It was a statutory bill voted in 1971 which established a reformed system of unemployment insurance that we modified by having before the House Bill C-21. It was an amendment to the bill of 1971; not a Ways and Means motion but a statutory amendment. It is not renewed in Ways and Means motions by Estimates every year.

We will never find that in the Estimates, anymore than we will find the moneys required for paying family allowances or old age security pensions. These are statutory programs which the government has to follow every year. They do not come to us with Ways and Means or Estimates every year saying that we would like to have the House of Commons do this. That is an engagement. It is something we do every year and that the government knows very well is the way we operate.

I turn now to the matter of the Royal recommendation and the financial initiative of the Crown. What Bill C-21 does in the clauses amended by 5(a), 5(b), 7, and 9 is reduce the statutory charges made by the Unemployment Insurance Act, 1970-72. The Speaker, at the time he made his ruling, stated on April 26, 1990 that it would be in order for this House to restore the charges on the Consolidated Revenue Fund that are being reduced or cancelled by Bill C-21. I want to quote the Speaker:

> It could certainly be permissible in this House to restore in an amending bill charges already provided for in existing legislation. For guidance on that point, I refer hon. members to Erskine May's *Parliamentary Practice,* 21st edition, page 716—

• (1320)

It is under the heading of matters involving money which do not require the Queen's recommendation and in a sense answers the question as to the constitutionality of the process.

It would have been in order for a member of this House to have moved amendment 7 at the report stage, for example. It could have been done in this House at report stage, not before. The charges that Bill C-21 would reduce or cancel exist today. They are authorized by law. Nobody is trying to reduce the financial initiative of the Crown. The Crown has an unquestioned right to initiate tax and appropriation bills, but the fact that the Crown has the sole right to initiate does not restrict the power of this House, or the Senate for that matter, to amend or refuse to pass those bills. The power to initiate is not the power to legislate.

[*Translation*]

Madam Speaker, the Government House Leader is complaining that the Senate's amendments would reduce the financial initiatives of the Crown. Nothing could be farther from the truth, which is that the Government originally mismanaged the changes it wanted to make to the unemployment insurance scheme. It should have introduced a bill to repeal the previous legislation from a date to be determined by proclamation. In this way, it could have proposed immediately the kind of unemployment insurance scheme it wanted, and the royal recommendation would have accompanied a new bill which would have been binding on both of the House of Commons and the Senate. But the Govern-

ment botched up the whole thing. It has been stuck ever since in a procedural mess and has made fruitless efforts to regain some credibility and remedy the situation.

Madam Speaker, you will remember that the Speaker of the House himself had referred in a moving fashion to the Act of Parliament of 1911. Since this British statute was deemed relevant, allow me to make a few short comments on this legislation.

[*English*]

Let us suppose, Madam Speaker, that we have in Canada a comparable law. Would its provisions concerning money bills have helped the government get Bill C-21 enacted? They would not. The Parliament Act, 1911, defines money bills very precisely.

Money bills are those that tax, appropriate money, authorize borrowing. Nothing other than those specified matters may be included. Bill C-21 is not a money bill. Erskine May's twenty-first edition, page 751, defines a money bill and I refer members to that quotation.

Madam Speaker, I see you are going to rise and tell me that my time is up. I tell you, Madam Speaker, the government is on the wrong line of this one. I think it should accept the message from the Senate, go with it and have a better bill. I only wish that it would come to its senses.

The Acting Speaker (Mrs. Champagne): On question and comments, the hon. parliamentary secretary.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, I would like to put a few comments on the record and a question. The previous speaker to the hon. member for Ottawa—Vanier who has just completed his remarks made an incredible statement that I think cannot go unchallenged. He said that Bill C-21 was invented in an ivory tower without consultation. That is an incredible statement.

There was a task force on unemployment insurance that was produced in 1981-82 on unemployment insurance. There was the Macdonald Commission report in 1985. The Forget Commission tabled its report in 1987, and the legislative committee on Bill C-21 consulted all over the country with more than 200 groups and individuals.

Certainly it is not a bill that was produced in an ivory tower. Years of study preceded this bill, and the government has proposed a plan that does what is possible today and not tomorrow. Workers want help now, not in some theoretical future. So much for what he had to say.

I would like to comment on what the hon. member for Ottawa—Vanier said. I am amazed because he portrays himself as a House of Commons man. He regularly quotes Beauchesne's and Erskine May and balances the Standing Orders on his head. He made not one comment on the Speaker's ruling. It really surprised me that he would not comment on that.

I thought he would have at least commented on the method the Senate is trying to use to bootleg in amendments to a bill which we would not accept in committee under the rules of the House or we would not accept in the House of Commons under the rules of the House. He seems to think that they are quite appropriate if they are bootlegged by the Senate. I thought he would have commented on that.

He said: "The power to initiate is not the power to legislate". That is an incredible statement. Why would you initiate anything? Would it be just for the exercise of running around in circles? You cannot legislate unless you do initiate, so we initiated the bill and want to see it put into place.

I might refer briefly to the Speaker's ruling on April 26 on page 10726 of *Hansard*:

> I also draw to the attention of my colleagues—and I know they will be very interested—on both sides of the House to hear the comments by Sir Wilfrid Laurier on September 7, 1917. As I say, this is not put in as the substance of the ruling. It is just brought to members' attention, and I hope the attention of every Canadian who has a chance to listen or read this judgment. This is what Sir Wilfrid Laurier said on September 7, 1917.
>
> This was his view. He was a great House of Commons man: "Under Rule 78, the Senate has no right to amend or alter in any way a money bill sent to them from this House". Rule 78 is the same as our Rule 80 paragraph 1.
>
> He said: "This House alone has the privilege of dealing with money bills. The only right the Senate has is that of rejecting or assenting to such money bills. That rule has been confirmed over and over again in England".

I am rather surprised. My hon. colleague, for whom I have a great deal of affection, has promoted the independence of the House of Commons and has spoken in complimentary terms many times about this place. He speaks about how we should protect our rights and privileges, but he seems to have brushed that all aside in his speed to approve what the Senate is trying to bootleg

through this House. I just wish he would perhaps comment on that.

He seems to make light of the fact that we have accepted some amendments put forth by the Senate. He knows very well that this is the normal ebb and flow of views. He knows as well that there was a time when the Senate would get a bill at eleven o'clock in the morning and pass it by twelve o'clock; that is when the Liberals were in power as as government.

In fact, if we look at the last bill that went through the House under the Liberals on unemployment insurance, I think it took a total of two and one-quarter hours to run it through the Senate in all readings and bring it back to the House. It was a same day ruling. Suddenly all these things are swept aside and the member seems to feel that we should not accept any of the rulings that the Senate has put forward. In fact he has commented that to accept any of them means that we should accept all of them. I wonder if the member could comment on that. I have given him enough avenues to run down that he probably will go on for another hour.

• (1330)

Mr. Gauthier: Madam Speaker, I would be more than pleased to do that. I see the member has done his research and I commend him for it. I have the same documents from which he was reading. I just want to remind him that in reading the documents he must at least—and I know him to be an honest person—give exactly the context in which it was put.

Sir Wilfrid Laurier was talking at that time about aids and supplies. Aids and supplies is not before the House with Bill C-21. He knows that and I know that. This has nothing to do with Estimates. I addressed that in my comments. This has to do with statutory obligations of the government, bills that encompass expenditures from funds of the government of Canada, and has nothing to do with aids and supplies. I addressed that in my first comments and I address it again.

Since he did bring up the issue, and to any member interested in reading the debate that day, the Speaker of the House was a former member for the Gaspé riding, with which my grandfather had something to do, and his name was Rodolphe Lemieux. There would be some historical events here which I could relate to my friend some time when he is interested in hearing about it. I know Madam Speaker knows all about Rodolphe Lemieux and how close he was to the Gauthier family. I will not say any more than that.

Having dealt with the issue of what was not dealt with in the debate, I would like to throw back to the member the comment made by his own minister responsible for government House business, on the *Question Period* program of Sunday last, May 6, 1990, at 6 p.m. I just want to quote one phrase from that because it deals somewhat with what the member was talking about, the Senate's authority.

I want to quote the House Leader on the government side, who said: "You see, the Senate's authority comes from a clause in the Canadian Constitution that says there will be a Parliament consisting of the Queen, the Senate, and the House of Commons.

Now, the Governor General has the same powers the Senate is claiming but everybody would be quite surprised, to say the least, if the Governor General said: 'Well, I am going to amend this legislation before passing it'."

Madam Speaker, we know that is nonsense. The Governor General does not have the same powers that the Senate has. The Senate is a legislative body; the Governor General is not a legislative body. If the government thinks that the Governor General has the same power as the Senate, I would put the following scenario: if the government went to the Governor General and asked the Governor General to give Royal Assent to Bill C-21, and the Governor General said: "I don't like the bill, Mr. Prime Minister". Well, that would have the effect of telling the Prime Minister, "Find yourself another job. I just fired you".

He would have lost the confidence of the Governor General. Mind you, there is the other side of the story. The Prime Minister could call the Queen and say: "Your Royal Highness, fire that Governor General". We could have that kind of fight, but that is not the way things run around here. The Governor General has a role to play, within the triumvirate, if you like, of parliament's constitutional obligations.

It is there as part of our system, but he does not have the same powers as the Senate. The difference is that the Senate has the power to amend legislation and that is what it has done here; it has proposed good amendments, we think, to Bill C-21. For reasons I do not understand, the government fails to recognize that the arguments we are making are good, sound, and acceptable, and in order.

Ms. Mary Clancy (Halifax): Madam Speaker, I am delighted to rise and speak in this debate, in support of those amendments sent to us from the other place. I wish to compliment my colleague, the hon. member for Ottawa—Vanier, for his cogent arguments on behalf of the acceptance of those amendments.

I wish to speak a bit, today, about the region from which I come, the Atlantic region, and what it is to be an Atlantic Canadian. I wish to speak about what the policies of this government, including the policies that have resulted in the government's version of Bill C-21, are doing to Atlantic Canadians.

I sat here yesterday in this House and listened to various hon. members, including the hon. parliamentary secretary, and I think that in spite of the number of Atlantic Canadians, which number 32 in this House, sometimes members from other parts of the country are not quite so aware of what it is and what it means to come from that small region of this country.

In our history in the Atlantic region we have been coal miners, in the fishery, farmers, small business operators and loggers. There has been a very diversified but small-based economy in the Atlantic region. A great deal of the work done in Atlantic Canada in those four provinces depends upon the season of the year.

Without going into all the trials and tribulations of the fishing industry, we have seen that in various parts of the Atlantic region, fishing is a seasonal occupation. Clearly because of our climate, farming is a seasonal occupation. Unfortunately, the coal mines are dead and have long been dead. This is the product of policies of yet another Conservative government and I cannot get into the problems inherent in that industry. We have a problem in Cape Breton Island with the steel plant. We have problems throughout Atlantic Canada and Atlantic Canadians rightly, are feeling hard done by. Rightly, Mr. Speaker, Atlantic Canadians sit back and wonder about this government and how it feels about them.

My hon. friend across the way yesterday talked about the fact that Lockeport, Nova Scotia could get in line along with a number of other communities for programs under this bill. I ask the hon. member, as I am reasonably certain if I leave him enough time he will probably make some comment, what he sees as the alternative for the town of Lockeport. It is a one-industry town, I think he would agree with me on that, and that industry is based in the fishery. It is based on the fishery whether you are talking about those who go out to fish, who can no longer do so, or those who process the fish in the plant that is now closed.

I heard yesterday from various members of this House on the government side and I read last night about some journalists who adhere to the government's position. They were talking about the fact that the theory that we have called, on this side of the House, the move or starve theory, but they will not use words quite as blunt as that. They were saying that the move or starve theory is one that Canadians just have to adjust to. This is why I say there is some lack of understanding about Atlantic Canadians by some of the other members of this House.

We have been moving out of Atlantic Canada practically since the first Europeans landed there in 1604. Atlantic Canadians are very attached to the place where they were born and to the place where their roots are. I am not suggesting that Ontarians, Quebecois, westerners and northerners are not just as attached but let them make their arguments when they stand in this House. I am speaking now for the people I represent and for the people from the whole region from which I am fortunate enough to come. But to say that we have no comprehension of the economic realities of life and to say that it is enough to walk into Lockeport, Canso, Sydney Mines or Halifax and say, "Well, if you can't get a job, move out", is to show a total lack of sensitivity and a total lack of awareness about what this country stands for.

While growing up in this country, I saw lots of my friends and classmates move. I saw them go to Calgary and Edmonton and other places in western Canada during the oil boom. I saw them move to Windsor, Ontario to help build cars. I saw them move to the mines in Ontario when the coal mines in Cape Breton closed. There is nothing you can tell someone from Atlantic

Canada about moving out because there are no jobs. We have been doing that over and over again.

• (1340)

This government promised something better to Atlantic Canadians in 1984. It tried to promise the same thing in 1988 with, I am happy to say, a little less success.

This is not something on which we base partisan politics. This is the root of Canadianism and the root of what makes our country strong, the fact that every young Canadian should be able to choose to stay reasonably close to the place where he or she was born and grew up. You should not have to move to Toronto to have a better life. You should not have to move to Calgary, or Vancouver, or Montreal. You should be able to do it in small town Canada, in rural Canada, whether it be Saskatchewan or New Brunswick, Newfoundland or the Northwest Territories.

That is not what we are seeing today. We are seeing a systematic breakdown of this country. We are seeing this country turned into huge urban centres and small town Canada and rural Canada going by the boards. One of the ways in which this is being done is through the attempted passage of this bill in the form in which the government brought it.

Mr. Speaker, I ask you to look at the statistics, the unemployment rates and the entrance requirements under the old unemployment insurance scheme and under the new. I ask you to look at my own riding of Halifax. The unemployment rate in Halifax is approximately 7.8 per cent.

I might add that my learned colleague from Dartmouth is not with us at the moment. He and I frequently have the discussion that because of the small areas in Atlantic Canada different places get lumped in together, and that is exactly what happens in the unemployment statistics. The city of Halifax actually has a higher unemployment rate but because the slightly more prosperous city of Dartmouth is lumped in, along with the suburban areas, the Halifax figures look a little bit better. In actual fact, unemployment in the urban area and in my riding of Halifax is not as low as 7.8 per cent. I merely bring that up for information.

The entrance requirements under the old scheme call for 12 weeks. The entrance requirements under the new scheme call for 18 weeks. The number of weeks for which you can collect benefits under the old scheme was 28 weeks and under the new scheme is 21 weeks.

An unemployed human being is an unemployed human being. Just because there is a need to make the books look better from the government point of view, why should the requirements become so much stiffer in an area that is generally economically slower than anywhere else in the country? Six more weeks to qualify for unemployment insurance is going to prevent people from ever being able to collect benefits. A twenty-eight week benefit as opposed to a 21-week benefit means that many people who do manage to qualify will hardly be able to get themselves through the difficult winter periods. In Atlantic Canada, because so much work is seasonal, a great deal of the insurable weeks is maintained through the summer months. It is maintained because of the additional work in the tourism industry, in the entertainment industry, and so on.

It is a question of fairness and understanding of what people want to do. I attended a meeting where people talked about stereotypes. They said that Canadians did not want to be stereotyped according to cultural background or according to various and sundry other criteria. I said at the time that we in Atlantic Canada were used to being stereotyped. We were used to the stereotype of Atlantic Canadians sitting on a wharf in the fog, spitting into the water, and waiting for the unemployment insurance cheques to roll in. That stereotype is as pernicious as any other stereotype.

Atlantic Canadians are hard workers. That is one of the reasons they have moved so frequently to other parts of the country. They come from backgrounds of coal-miners, fishermen, farmers, steel plant workers, dock workers in Halifax—backgrounds of hard work and physical labour.

I might also add that something that has long been established in the country is the brain-drain from Atlantic Canada. Our wonderful universities in those four provinces have sent people to other universities, to this House, and to the courts right across Canada. They have led the way academically and professionally for many other Canadians. However, we do not dwell on that

because we are modest people and do not blow our own horns too much of the time.

This stereotype of Atlantic Canadians just trying to get 10 weeks of insurable earnings so they can sit around, allegedly, and collect unemployment insurance for the rest of the time is unacceptable. In my belief and in the belief of many of my colleagues on this side of the House, it is this kind of attitude that created this legislation.

I recall a man I dealt with back in Nova Scotia. He did not come from my riding but was from rural Nova Scotia. He was one of the hardest workers I have seen. During the spring and fall, he worked in the woods doing as much logging as he could, given the limited resources of that industry in Nova Scotia. In the late fall he worked cutting Christmas trees for export. In the summer he did some commercial fishing when it was available. And in the winter when he could not go into the woods and he could not fish, he would hitch-hike 20 miles into the town nearest his home in the country to shovel snow for people who lived there. He hired himself out as a handyman and generally did any job that came along. If there was any work available, this man would take it. And he was not unusual. I know thousands of Nova Scotians who are like that. They try as best they can to survive in a mixed economy.

But with the mixed economies of Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland, from mid-December pretty well until mid-April, there just are no jobs in many parts of our provinces.

These people work from mid-April to mid-December at a variety of other jobs. They pay into unemployment insurance. Of course, they would rather be working. Any human being who has a modicum of self-respect wants to be able to support himself or herself and to provide for his or her family. That is absolutely endemic to the human condition.

But again, in looking at this bill, it is as if the government is saying: "We do not trust you out there. We know that you do not really adhere to the work ethic that we do, and we are going to get you. We are going to show you that you cannot possibly get away with all the things you have been getting away with for so long."

It says to us on this side of the House that we have a government that does not think very highly of its own citizens, and thinks even less highly if those citizens happen to come from the four small provinces clinging to the Atlantic sea coast.

When the other place made these amendments and sent them back to us, as was its right to do, I think that there was perhaps a glimmer of hope, certainly among the people whom I represent. The response to this bill in the Atlantic has not been favourable, not at all.

I participated in some of the committee hearings in Halifax last summer and while we were sitting, another committee was set up by a group of concerned citizens to hear all the people who could not come before the legislative committee. My colleagues and I from the opposition side went to that committee as well to hear what these people had to say. They had not had the opportunity to speak to the members of parliament because time was so limited.

• (1350)

The stories from these people about the lives that they live and the impact the changes in this bill will have on their lives were incredibly moving and frightening. It is because of this, and because of the amendments sent to us from the other place, that I think there is some hope. The other place is supposed to be the chamber of sober second thought.

For those opposite who have been bemoaning the fact that the other place does its job, I might add that the other place is a duly constituted, constitutional body. It has a job to do and it is doing it. I say to my colleagues on the government side: "You are the ones with the majority. If you do not like it, change it. You have the power to do so." But they are not doing so. Instead, they are taking things one step too far and taking it out on the citizens of Canada, particularly on the citizens of Atlantic Canada.

When Bill C-21 was first debated in the Chamber, it was not debated long enough. Every member of Parliament did not have the time they should have had in order to make his or her views known and to represent the people of the country.

There has been a great deal of talk, as well, about the Senate's delays. Again, I think that this is unfair. What the other place has done, has been done in its usual manner. The hon. parliamentary secretary talked about the fact that, under a previous government, the other place would pass bills as quickly as an hour and a half or two and a half hours. I merely state, for his own

edification, that I guess they know good legislation when they see it.

We know the bill was not sufficiently debated in the House of Commons and we know, as I said before, that many groups did not have the opportunity to be heard. Provincial governments were not heard by the House committee. Claude Forget, the former chairman of the royal commission on unemployment insurance was not heard. The Economic Council was not heard, and so on. It was insufficient. Is it any wonder that the other place, knowing its duty as the Chamber of sober second thought, was not prepared to ram this through in the manner prescribed by the government?

The hearings on Bill C-21 were organized hurriedly during the summer. Again, numerous groups which applied to be heard were not permitted to be heard, giving rise to the kind of "anti-hearings" that were held in Halifax. This bill had to be reported back to the House by October 6. Everybody knows that if you want to get something through without Canadians noticing, do it in the summer time. That is what happened and, with that sort of timetable, the committee spent only one day in every province other than Ontario and Quebec, where two days were spent. That is not very much time to hear the views of those who represent over 25 million Canadians.

The other thing is that this legislation is complex. It is difficult enough for members of Parliament—some of them at any rate—to grasp what this bill is all about, let alone members of the general public, who do not have the resources or the assistance that we have, to grasp what it is we are dealing with.

The major thing is that Bill C-21 cuts $1.5 billion from regular benefits and ends the government's contribution to unemployment insurance which, last year, was $2.8 billion. These changes are radical and they should be given very close examination. In light of the radical nature of these changes, the groups that are affected by these changes should have had every opportunity to express their views.

One thing I found particularly upsetting was with regard to the variable entrance requirements and what took place in the House last December. My riding of Halifax was probably the least adversely affected riding in the country. Without the VER, the entrance requirements in Halifax are 14 weeks and with it, they are 13. Under the new legislation, they would have been 18. In the long run, without the VER, Halifax was not that much worse off. Ergo, I can enter this part of the debate, at least, with my halo shining. But I am thinking of other Atlantic Canadians. I am thinking of Cape Bretoners, and those from South West Nova and New Brunswick who were adversely affected by the absence of the VER.

I close by reminding the House that we on this side brought in the motion and agreed that we would bring it through without debate and this government voted it down. This is something that Atlantic Canadians will remember. They will remember it along with the theory that they do not want to work and that they are still sitting on the wharf whittling and waiting for the cheques to come in. They will remember for a long, long time.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, may I just put a few facts on the table for consideration.

The member spoke at length about the hearing process, the number of cities visited and the number of witnesses heard at committee hearings. She should know that her colleague, the hon. member for Notre-Dame-de-Grâce, suggested every city that we travelled in Canada. In fact, she should know that we wanted to travel three weeks before he would agree. In other words, we had a date set very soon after the House rose on which we wanted to begin to travel. He said: "No, no." He did not want to begin to travel until August. That was his determination, backed up by the member from the NDP. So, do not blame us for not travelling enough. Every witness heard was agreed to by the member for Notre-Dame-de-Grâce. Do not tell us that they could not be heard. We did everything we could to hear as many people as we could across the country.

Let me say, as well, the member—

Ms. Clancy: I'd love to hear it.

Mr. Kempling: It is questions and comments, so I will make comments if I wish.

The member asked what can we do in Lockeport? All the fish-net used in the whole of Nova Scotia—and probably in Newfoundland, Prince Edward Island and New Brunswick, as well—is imported. The bulk of it comes from the Philippines. It is not bought directly. It is bought from a Japanese agent in Tokyo. People in Canada knit the yarn for those nets. Let the people of Lockeport look into the production of fish-nets and they

would have a business that would hire more than the people employed—

Ms. Clancy: There are no fish.

Mr. Kempling: There are going to be fish, don't worry.

Mr. Gauthier: Let there be fish!

Mr. Kempling: They are still fishing. Let me say as well. All the fish hooks used in Nova Scotia, do you know where they come from? They come from Norway. There is a steel mill in Nova Scotia and, yet, no one has had the initiative to turn around and ask why we could not make fish hooks in Nova Scotia for the whole of the east coast.

Mr. Gauthier: There are no fish, Bill.

Mr. Kempling: You mean they are not catching any fish at all?

Ms. Clancy: Very few.

Mr. Kempling: I just don't believe it. I look at the quotas that have been put forward.

Some hon. members: Oh, oh!

The Acting Speaker (Mrs. Champagne): The hon. member may want to leave the last minute for the person who made the speech to comment. The hon. member for Halifax.

Ms. Clancy: Madam Speaker, the hon. member for Burlington suggests some interesting remedies for the town of Lockeport. I am sure as soon as the fish stocks are back up they will be interested. I do not think it will satisfy the Sydney steel plant.

I want to go back to the question. My hon. friend from Notre-Dame-de-Grâce does not need me to defend him, but perhaps the hon. member for Burlington is rewriting history. I am not suggesting that our Liberal colleagues did not suggest the witnesses heard. I am suggesting that government members made the timetable so short that it was impossible to visit more places.

The Acting Speaker (Mrs. Champagne): This is a debate that will be continued later on today.

[*Translation*]

It being 2 o'clock, the House will now deal with statements by members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE ENVIRONMENT

Mr. Walter Van De Walle (St. Albert): Madam Speaker, global warming, ozone depletion, acid rain, air quality and sustained development are fast becoming household phrases to many Canadians. Environmental awareness is growing.

Canada is blessed with an abundance of natural beauty. However, it is being threatened by industrial pollutants and human waste which is affecting our lakes, rivers, air and land.

Protection of this planet is a global concern. Our government is determined to provide a leadership role. In fact, it is the goal of this government to make Canada by the year 2000 the industrial world's most environmentally friendly country. Recently, the Minister of Environment announced the details of *The Green Plan*.

This government has and will continue to take action to reduce emissions of carbon dioxide, destroy PCBs, encourage recycling programs, improve waste disposal, protection of the quality of air and water, promote conservation—

The Acting Speaker (Mrs. Champagne): I am sorry, the hon. member's time has expired.

* * *

NATIONAL FOREST WEEK

Mr. Guy H. Arseneault (Restigouche—Chaleur): Madam Speaker, as we celebrate National Forest Week between May 6 and 12, I would like to underline the importance of the forest sector to Canada's economy.

The industry employs nearly 300,000 people directly, while 750,000 more people, including rail workers, truck drivers and machinery operators are employed by associated industries. In 1988, productive forest land yielded more than $30 billion in the value of goods shipped.

[*Translation*]

The forests which cover two thirds of our country provide us with a great many jobs, revenues and resources.

This being the National Forest Week, I cannot help emphasizing the fact that the Government has not yet renewed its Forest Resource Development Agreements with six of the provinces where they have expired.

If the Government is really committed to the forest industry, it should take this opportunity during National Forest Week to renew the expired agreements.

[*English*]

The Acting Speaker (Mrs. Champagne): I am sorry, the hon. member's time has expired.

* * *

AGRICULTURE

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, Canada's national debt is approximately $350 billion, or about $13,500 per person. Saskatchewan's provincial debt is about $10.7 billion, or about $10,770 per person.

Essentially the Government of Canada has borrowed $500 million to commit to the 1989 farm cash flow problem. This money is conditional on the provinces matching it and providing a worth while, effective method of distribution. I am confident that taxpayers would not want it any other way.

Therefore, I would like to urge the province of Saskatchewan to bear in mind the economic position of the federal government and, in the spirit of co-operation, develop a program that will see Saskatchewan's farmers obtain their fair share of federally committed agriculture dollars.

* * *

FISHERIES

Ms. Catherine Callbeck (Malpeque): Madam Speaker, on February 9, the Secretary of State for External Affairs assured the House that the government would try to develop new markets for Prince Edward Island lobsters. Yet here we are in the second week of the fishing season with no sign of support from the federal government.

Yesterday, we had hoped to hear of positive action being taken in the development of marketing for the Atlantic fisheries. But no action was taken.

The Department of Fisheries and Oceans should be upgrading its role in the area of seafood marketing.

In 1989, the P.E.I. lobster season saw prices drop and inventories of frozen lobster products reached peak levels.

Prince Edward Island's lobster fishermen want to know what this government is doing to develop new markets for their lobsters. I urge this government to take action now before it is too late.

* * *

[*Translation*]

MINERAL OUTLOOK CONFERENCE

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, tomorrow, May 9, 1990, Energy, Mines and Resources Canada, the Mining Association of Canada, the Canadian Institute of Mining and Metallurgy and the institute's committee on mining economy, will host the Eighth Annual Mineral Outlook Conference at the Westin Hotel in Ottawa.

This year, about 700 people are expected to attend, including a large number of senior executives from the mining industry and Canadian and foreign government officials.

The conference will cover the economic and financial impact of sustainable development compatible with the environment, the Canadian mining industry, prospects in the European Economic Community and the Soviet Union, the impact that developments in the mining industry in these regions may have on Canada, and financing the mining industry.

Madam Speaker, the Hon. Jake Epp, Minister of Energy, Mines and Resources and member for Provencher extends a cordial welcome to all participants.

* * *

[*English*]

TOURISM

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, British Columbia's lucrative cruise ship industry has sailed into some rough political waters. A U.S. customs decision imposed last year will no longer

allow for pre-clearance of American cruise ship passengers arriving at Canada Place in Vancouver.

Since Expo '86 hundreds of thousands of Americans tourists arriving by ship from Alaska have had their luggage sent directly to the Vancouver airport while they visited the city of Vancouver. This new ruling prevents them from spending their time and money in Vancouver before flying home.

Last year, cruise ships carried 350,000 passengers to Vancouver and contributed some $75 million to the B.C. economy.

The Minister of Tourism and the Minister of Revenue Canada should brook no interference in convincing U.S. customs officials to rescind their ridiculous ruling which jeopardizes the future of B.C.'s cruise ship industry.

* * *

THE CONSTITUTION

Mr. Stan Wilbee (Delta): Madam Speaker, at a time when emotions are running high on the topic of national unity, I rise today to quote briefly from a three page letter I recently received from W. R. Darlington, a retired veteran and constituent of my riding of Delta, B.C.

There is not time to read all of it but I would like to give a few short quotes:

> I give you leave, sir, to stand up in the House and read this letter word for word to the members and remind them that they answer to all of the Canadians of all of the provinces across this country who died for this country in the first and second world wars.
>
> They did not give up their lives in one short day for this great country of Canada to be tearing itself apart.
>
> I wish I could speak French—I would tell the French Canadians that they are a great people and the country needs them. So, from a retired 67 year old Corporal from British Columbia, God bless you all.

* * *

HUMAN RIGHTS

Mrs. Christine Stewart (Northumberland): Madam Speaker, Canada uses strong rhetoric in support of international human rights, yet as democracy sweeps through Europe and other parts of the world, we caution the Canadian government to pay close attention to the so-called democratic reforms in some countries before going ahead with large business projects or investments.

Atomic Energy of Canada is planning the sale of another Candu reactor to South Korea, a country known for weak commitment to human rights. We have heard the allegations that despite having signed a nuclear non-proliferation treaty Romania diverted heavy water intended for its Candu reactor to India. South Korea raises concerns about its level of commitment to democracy and human rights.

I call upon the government to urge AECL to present our concerns for human rights in its negotiations with South Korea and make this commitment known to the House.

If Canada wants to maintain its reputation as an advocate of human rights, we cannot allow it to support through aid or trade authoritarian regimes, dictatorships and other violators of human rights.

* * *

NATIONAL FOREST WEEK

Mr. Dave Worthy (Cariboo—Chilcotin): Madam Speaker, I would like to draw to the attention of the House a unique tree planting ceremony which took place last Friday on the grounds of Government House.

Forestry Canada researchers achieved a major breakthrough in forest biotechnology, producing trees from a single cell culture. This allows for an unlimited number of trees from superior seeds to be bred for special characteristics, characteristics that will give improved growth, improved resistance to disease and to insects.

This is not only a major accomplishment by the government but it has good commercial applications. It is an example of what we in Canada can do. In National Forest Week it is one that I want to praise.

* * *

• (1410)

PORTS CANADA

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, anyone who takes the government at its word on spending restraint had their eyes opened a little wider this weekend.

A newspaper report showed that Tory appointees at Ports Canada are living high on the hog—and I do mean hog. From sumptuous lunches at exclusive clubs to, dare I say, a Liberal approach to expense accounts, Port Canada executives are on a spending spree that would do Donald Trump justice.

Perhaps they are just following the proud example of restraint showed by salaries in the Prime Minister's office or at the Bank of Canada.

I would like to see the Minister of Transport explain it to people in my riding who have lost VIA Rail service because the government says it cannot afford it. I would like to see him explain it to the small businesses facing the GST because the government says it wants to bring the deficit down. I would like to see him deny that what the government really means by restraint is cut-backs for the rest of us while the Gucci crowd keeps raking it in.

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WORLD RED CROSS DAY

Mr. Bruce Halliday (Oxford): Madam Speaker, today, May 8, World Red Cross Day will be celebrated in 149 countries throughout the world. One hundred and sixty-two years ago today Henry Dunant of Switzerland founded a movement which has made the world a better place for everyone. This movement, the International Red Cross and Red Crescent, has devoted itself to his ideal, namely, that the life of every human being must be respected and protected against the ravages of man and nature.

Respect for every human being, especially those in need, guides the efforts of the Red Cross and the Red Crescent. It helps those trapped in solitude or anguish. It helps those waiting in refugee camps, in hospitals or in prisons. Those who have seen their homes destroyed and the loss of everything dear to them depend on the help of the Red Cross. From the drought-stricken fields of Africa to the war zones of Southeast Asia the Red Cross provides humanitarian assistance where it is needed.

Canada recognizes the work of the Canadian Red Cross Society and supports the ideals for which it strives. Its many services make Canada a better place and help show Canada's humanity in alleviating the suffering of those in other countries.

Let us observe World Red Cross Day by taking time to reflect on the unceasing need to protect human life and dignity, not only of Canadians, but of all humanity.

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NATIONAL FOREST WEEK

Mr. Rey Pagtakhan (Winnipeg North): Madam Speaker, May 6 to 12 is National Forest Week—to encourage greater public awareness of the forest resource.

Formerly called Forest Fire Prevention Week, the new title reflects the many human and environmental needs Canada's forests are now expected to satisfy.

This week, the Canadian Forestry Association challenges all Canadians to learn more about Canada's forests and to think about the multitude of benefits derived from their wise management.

An aware and knowledgeable public is necessary to provide comprehensive conservation and management of one of Canada's greatest assets.

An aware and responsible federal government is also indispensable. I therefore urge this government to develop a sound environmental policy which will allow us to both properly utilize and protect our forest reserves.

The role the forests play nationally and, indeed, globally is of paramount importance to the continuing survival and economic and social prosperity of the citizens of the world.

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NATIONAL FOREST WEEK

Mr. John A. MacDougall (Timiskaming): Madam Speaker, this week across the country we are celebrating National Forest Week. Our forests are the backbone of this country's economy. They are the greatest of our natural resources.

Allow me to tell you, Madam Speaker, that no one knows the value of the forest better than the residents of Temagami.

I am not talking about the sightseers who travel for a day to view the pine stands of the area. I am talking about those former sawmill workers and the many foresters of the Timiskaming region. I am speaking about the many who have lived within the forests, respecting the sustained growth for generations, those individuals and families who once lived from the productive activi-

ties of the forests and who can no longer gain access to them.

During National Forest Week we should reflect upon the fate of these Temagami families and take the time to consider the great value of working forests.

Multiple land use policies have enabled many Canadians throughout our history to enjoy a rich heritage of harvesting our country's greatest resource. I ask Canadians during this week to reflect and come to respect this heritage.

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LITHUANIA

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, the Lithuanian MP in charge of internal security, Zigmas Vaisvila, has been hospitalized following a severe beating by Soviet troops. He went to the press building in Vilnius on April 20 to negotiate a peaceful settlement to the occupation of that building. After presenting his documents, a Colonel Fiodorov issued an order to club him. He sustained injury to his lungs, intestines and has sustained a contusion in the brain.

That deputy was presented to this House in late 1989. I would urge colleagues and Canadians generally to send letters of support to him in care of the Supreme Council of Lithuania in Vilnius in a gesture of good will. I would urge our Secretary of State for External Affairs to issue a statement to the Soviet government protesting this action.

Finally, the Canadian delegation at the International Conference monitoring Helsinki Accords on the Human Dimension should bring this matter and all other human rights abuses in Lithuania to the attention of the conference.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister.

Yesterday the premiers of the four western provinces gave a highly damaging assessment of this government's economic policies. In a joint communiqué they said, and I quote:

> There is a growing crisis of confidence in the federal government's management of the Canadian economy, and current federal fiscal and monetary policies have created the real danger of a Made-in-Canada recession.

When will the government listen to the four western premiers, three of whom are members of the Prime Minister's own party, and stop these policies that are creating a made-in-Canada recession? Why does this government insist on creating a made-in-Canada recession?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, unless something happened over the weekend there are only two premiers of my party out there, not three. But I will take that as a representation, officially.

Mr. Axworthy (Winnipeg South Centre): You've left out Filmon, have you? Gary is gone!

Mr. Murphy: They all voted against the GST—kick out all three.

Mr. Mulroney: He says that they are all against the GST. We will have to see. Maybe we will have none at that point in time.

I read the comments of the western premiers, and I read the comments of the Premier of Newfoundland in regard to another matter. Clearly, you would have difficulty in getting unanimity in regard to an opinion on the Canadian economy from the provincial premiers. They all feel quite badly done by these days.

That is not the opinion of the World Economic Outlook provided by the IMF over the weekend. For Canada, it stated:

> Continuation of the present monetary policy would seem appropriate until there are convincing signs that inflationary pressures are abating.

It went on to state:

> A number of important structural initiatives are under way in Canada, including reforms relating to the sales tax and the unemployment insurance system. Together with previous tax reform measures and with the implementation of the Free Trade Agreement with the United States, these initiatives should significantly improve the efficiency of the economy and enhance growth prospects.

I realize that all provinces and all premiers have matters that concern them greatly, and we are seeking as best we can to respond to the concerns.

The Minister of Agriculture put out a $500 million package most recently to assist the western farmers. The Minister of Fisheries and Oceans has just come back from an almost $600 million dollar investment on behalf of the people of Canada in the fishery of Atlantic Canada.

While there are difficulties everywhere, it is interesting to note that the IMF has pointed out that the Government of Canada in difficult times is pursuing economic, fiscal and monetary policies that, while somewhat painful and difficult for the moment for many Canadians, will turn out to be precisely the prescriptions that the Canadian economy requires to provide for a period of sustained, non-inflationary economic growth, which is what Canadians require.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the people of western Canada and Canada as a whole would prefer that the Prime Minister listen to people in this country, in this case the four western premiers, rather than the International Monetary Fund. I know that the Prime Minister would like them to disappear, but the last time I looked there were three Conservative premiers: Filmon, Devine and Getty. I am not sure which one he would like to get rid of, but I know—

• (1420)

Some hon. members: Hear, hear!

Mr. Axworthy (Winnipeg South Centre): All three.

Mr. Gray (Windsor West): I know the Deputy Prime Minister's close friend and fellow Albertan, Premier Don Getty—and maybe that is the one that the Prime Minister wants to get rid of—said that in their obsession with inflation federal officials "are fighting an imaginary foe while they drive us into a shuddering halt with our economy".

So far the government has offered even less to western farmers this year than the totally inadequate package it offered to the Atlantic fishery yesterday, the package that has been rejected almost unanimously by the people of Atlantic Canada.

For example, the mayor of Trepassey, Rita Pennell, said: "They talk about rebuilding the stocks, but they're rebuilding the stocks for the large companies—certainly not rebuilding for people. What we need is something to tide us over until the stocks rebuild".

Why did the government not offer a realistic program for the recovery of the Atlantic fishery? Is it because this government feared reprisals from the United States under the free trade deal that offered so limited, so constrained a program for the recovery of the Atlantic fishery?

If this is not the case, why did the government not offer a meaningful program for the preservation of Atlantic communities and the fishery until the fishery stocks of Atlantic Canada were rebuilt? Is it not fear of reprisal under the trade deal that made this government offer such a totally inadequate program to the people of Atlantic Canada?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I apologize to my hon. friend. I did not hear an important part of the preface of his first question about the Conservative premiers. In point of fact there are so many of them around, they are hard to keep track of.

Some hon. members: Hear, hear!

Some hon. members: Oh, oh!

Mr. Ferguson: They're going off in all directions.

Mr. Duhamel: They're an endangered species.

Mr. Speaker: I cannot help.

Mr. Mulroney: Mr. Speaker, few people can. Obviously, we embrace all Conservative provincial premiers with equal affection. I would not want to convey any other impression.

With regard to the announcement made yesterday by my hon. friend, the Minister of Fisheries, I would have thought that the Leader of the Opposition would have, while not being in full agreement with everything, pointed out a number of the very beneficial aspects of this important program for the benefit of Atlantic fishermen.

It is almost a $600 million package. It deals with some of the very important structural problems that have afflicted the fishery. It deals with conservation. It deals with community futures. It deals with retraining. It deals with a lot of the important fundamentals.

Unfortunately, it does not and cannot by itself bring the fish back tomorrow to ensure that everybody in Atlantic Canada who wishes to can have a substantial job out of the fishery. But it does deal with some of the

fundamental problems that have been long neglected and overdue for action by the Government of Canada.

One of the things that has been carefully considered by the Secretary of State for External Affairs in this is the increased vigilance with which the Government of Canada will deal with all foreigners who seek to fish off our coasts and ensure that all their activities are in full and rigid compliance with international law.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, this is what the Conservative Member for Gaspé thinks about the program announced by the federal fisheries minister, and I quote: "There is nothing for Quebec in the Atlantic Fisheries Adjustment Program". Mr. Speaker, the hon. member for Gaspé, who is chairman of the Standing Committee on Fisheries and Oceans, added that the funds allocated to Quebec were peanut. I therefore would like to ask the Prime Minister why the government is treating Quebec's fishermen so unfairly. Why are the fishermen of this province getting this offhand treatment?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, the hon. member keeps telling us what other people think. He might let us know what he thinks. If he took the trouble to examine the adjustment program announced yesterday, he would realize that the program contains several components that will benefit fishermen and communities along the coast of Quebec.

For the information of the hon. member and the House, if they are interested, I have already started talks with my provincial counterpart, Minister Pagé. In fact, we are supposed to meet this Friday to discuss further measures that could be taken jointly with the Government of Quebec for the benefit of maritime Quebec.

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[*English*]

FISHERIES

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the government announced yesterday: "No more groundfish licences will be issued to fishermen in Newfoundland and Labrador", and that "fishing should be regarded as a skilled profession requiring a range of technical and managerial skills. We propose a formal training apprenticeship and certification program for fishermen".

My question is for the Minister of Fisheries and Oceans. Does this licence cut-off now mean that a young man or young woman who just started fishing with their father or a relative in the fishing boat, or will start fishing this summer, will not be able to get a groundfish licence, ending the fishing tradition in that family?

What happens if the full-time fisherman who has not been near a classroom for decades flunks this formal training apprenticeship and certification program?

It is not the fishermen who need training, it is this minister and his officials who need the training.

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I am not surprised, given the record of that party while it was in power, that it is looking at fishermen as people who have no qualifications, people who have nothing except to go out there and fish.

We believe in the fishermen of Atlantic Canada. We believe in the fishermen of Newfoundland. This suggestion for the professionalization and certification project was made to this government by the fishermen in his backyard, in Newfoundland and Labrador.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the fishermen of Newfoundland and Labrador think that this program is an insult.

In order to add insult to injury, the Minister of Fisheries announces a lot of money now to try to find out what seals eat. Well, Mr. Speaker, the fishermen have told him what seals eat, and it ain't turnips.

Why did the minister announce yesterday: "Canadians have had difficulty locating and catching commercial quantities of turbot in the northern waters, 2J and 3K, even though Soviet and other East Bloc countries harvest these stocks on a regular basis"? Does the minister realize that we have harvested that stock for hundreds of years before the Soviets even knew what a boat looked like?

Why is the minister issuing these foreign licences for that zone in this year for Canadian quotas of turbot and codfish while Newfoundlanders are being chased out of their boats?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, it is easy to come into this House and grandstand on the issue of foreign overfishing.

Some hon. members: Oh, oh!

Mr. Dingwall: Look who's talking. Sit down!

Mr. Allmand: Your halo is slipping.

Mr. Valcourt: Mr. Speaker, they do not want to hear the answer. When they are totally devoid of ideas they just shout you down. But it will not work with this guy here.

With respect to foreign overfishing, I am going to tell the hon. member and every member in this House that if there are fishermen in Atlantic Canada, in all of Canada, who want to take every fish that can be caught under our quotas in the Canadian zone, then they can go out there and I will not allow one foreign boat to fish in Canada if our people want that.

He should have been with me yesterday when this gentleman, a colleague of his from P.E.I. was saying: "Go fish underutilized stock". The guy said: "I will not fish for six-cents-a-pound fish because I have got to buy fuel. I have got to pay labour. It is not viable".

I am telling the hon. member that if he wants fishing to take place, then support this program. We have a lot of stuff in there for underutilized stock. Support the program. You will help the fishermen in Newfoundland and Labrador.

* * *

• (1430)

THE ECONOMY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Yesterday, as the Prime Minister knows, the western premiers again said that the high interest rates are savaging the prairies. Premier Grant Devine said that to get lower interest rates he would be willing to see the dollar drop. In fact that is exactly what the Prime Minister said in 1984. When he was asked if he had to choose between high interest rates and a lower dollar he said: "I will take the lower dollar".

The Prime Minister knows that high interest rates in the west have cost Canadian farmers $330 million this year. They have pushed western farm bankruptcies up 22 per cent. They have threatened 10,000 Saskatchewan farmers with foreclosure and are pricing our farm products out of the world market.

Can the Prime Minister give us one positive effect of this high interest rate policy on Canadian farmers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the high interest rates, generally speaking, do not provide immediate, palpable and demonstrable benefits for ordinary hard working people. There is no secret in that. What high interest rates from time to time are required to do is to squeeze the inflation out of an economy because the inflation can cripple once and for all hard working ordinary Canadian citizens. Inflation is a pernicious evil that we cannot unleash on the Canadian economy.

The Liberals and the NDP conspired in the late seventies and early eighties to adopt a policy that allowed inflation to get out of hand. Unemployment sky-rocketed and the country economically just about became a basket case. We want to make sure that does not happen again so we are pursuing a policy that most of the international agencies, most recently the IMF, view as productive and important and necessary in the national interest.

The ultimate benefit of the monetary policy of Canada will be economic growth without damaging inflation to any serious extent. That is what we are pursuing and that policy will throw off benefits to farmers, fishermen, auto workers and all Canadians alike.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary question is to the Prime Minister.

The question that farmers have and that fishermen have on the east coast is what is going to be left for them. If we look at the farm income projected for this year, the farm income is supposed to go down 63 per cent on the prairies. It is supposed to go down 87 per cent in Saskatchewan and 46 per cent in Alberta.

The Prime Minister's government has promised assistance for western farmers; it has promised $500 million. The government knows that the provinces in the west with declining farm incomes cannot afford to match that

assistance. When you offer something to these provinces that they cannot possibly accept, it is no offer at all.

Will the federal government now drop its conditions to the provinces and give the assistance to Canadian farmers that they need right now?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the federal government offered to provide $500 million worth of assistance to the farmers in Canada.

We are strapped for financial resources. We are limited. We asked the provinces to assist us in developing a kind of package that would put more money into the hands of farmers. If the provinces absolutely refuse to participate, it will obviously mean that there will be less money to be distributed to the farmers.

We are really trying to develop the kind of package that the provinces want some share in the responsibility of. They want a kind of package that would zero in on the problems of each of the respective provinces because it is a multifaceted problem. It is drought in some areas. It is the impact of interest rates. It is the impact of low prices. It is a variation of things.

We have simply said that we are prepared to sit down and work with them in developing a plan that will improve the incomes of farmers for 1990. If they absolutely refuse to participate in that process, it will mean that there will be less money to be distributed. I regret that. As a matter of fact I am somewhat saddened by the fact that they would rather play politics than really help the farmers. That is what we intend to do, and that is our bottom line.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question for the minister. Those 10,000 Saskatchewan farmers are not playing politics; they are just trying to survive.

This government is tying conditions that cannot be met to funding and assistance to farmers. After all, it is this government's constitutional responsibility to ensure that the interests of Canadian agriculture are protected in international trade. Expecting prairie provinces that have declining income, 63 per cent this year, to match assistance dollar for dollar is like asking a drowning man to throw himself a line.

I ask the minister again: Are the prairies going to sink or swim? Will the government live up to its constitutional responsibility to Canadian farmers and do it now before farmers drown?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I regret that the hon. Leader of the New Democratic Party engaged in a typical NDP distortion.

I was not accusing the farmers of playing politics. I was simply attempting to answer the question and outline our strategy for getting the greatest amount of money into the hands of the farmers. That can best be achieved with the support and co-operation of the provinces. If that is not forthcoming, obviously we will have to look at another alternative.

We are not here to play politics with the farmers' welfare, but we really regret very much that the premiers of the provinces are not prepared to share in their responsibility.

After all, this government has been providing up to 90 per cent plus in terms of support for agriculture in western Canada. We think it is time the provinces paid their fair share.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I want to pose a question of the same minister and preface it by saying that even though some of them may have been dropped from the Christmas card list of the Prime Minister, I do not think he is being fair to them.

If I may, I want to simply quote from the communiqué: "The western premiers note that the 1990 income deficiency is a direct result of international trade subsidy wars and as such must be addressed by the federal government". They go on to point out that the United States government is now providing over $1 more support for a bushel of grain than the Canadian government provides to try to beat western Canadian farmers out of the international market.

Under those circumstances is it not proper and responsible for this national government to match at least the efforts of other governments to keep western farmers in

business, keep the grain economy going and not let the Europeans and Americans push us out of our rightful grain market that we have had for the last 50 years?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I take from the hon. member that that is a representation asking the federal government to put in place a contingency fund as the premiers have asked.

If that is what the hon. member is asking for, I will take that as a representation. If he is suggesting that we put the $500 million into a form of contingency fund to fight the international price war, I will take that under serious consideration.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the question I am posing is not just in respect of a contingency fund.

It is a comprehensive agricultural program which meets the international support subsidies that come from the Americans and the Europeans. It is one that will bring down interest rates so that 30 per cent of farmers who are now facing bankruptcy will not go broke. It is a program that will deal with the major problem of soil erosion and the major loss of markets.

When is this government going to come up with a comprehensive agricultural program so that western Canada will not face not only a recession but the depression which it is now facing straight on because of this government's lack of attention to its interest and its problems?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I was merely trying to extract from the hon. member what sort of policy position he would follow, because we know what he did when he was on the government side and interest rates went to 24 per cent. They did absolutely nothing.

I have the communiqué that says western premiers call upon the federal government either to raise initial grain prices or set a $1 billion contingency fund to offset future impacts of the U.S. and European subsidies.

If that is the position of the hon. member, I indicated to him that I would give it serious consideration. We have $500 million. We asked the provinces to sit down and design a program involving some sharing on their part so that we could get money into the hands of farmers now.

• (1440)

The hon. member is suggesting that we put this money aside in a contingency fund to fight the international price wars. If that is his recommendation, I will give it serious consideration.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Minister of Agriculture who I hope will listen to some reason.

The federal government has offered $500 million in farm aid. Farmers desperately need that money because they have been badly hurt by the international subsidy war, high interest rates, the high dollar value, low grain prices, and drought. All these problems are beyond provincial control, yet the federal government will not make good on its offer unless the provinces participate.

Why? The federal government has the money; the farmers need the money. Why not release it now without any strings attached so that there will be no more damage to farmers and their families?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): The answer to that question, Mr. Speaker, is very simple.

Quite obviously what I was trying to achieve was $1 billion distributed to the hands of the farmers rather than $500 million. I thought that with the provinces' generosity and their co-operation we could have put $1 billion into the hands of the farmers.

I understand that this member is interested in getting only $500 million out to the farmers and does not care about the rest.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I point out that over and over again the minister has insisted that the provinces match the federal offer dollar for dollar.

Yet, just this morning in the Winnipeg *Free Press* the Minister of Agriculture is quoted as saying that if the Manitoba government comes through with $8 million, the federal government will come through with a contribution of $63 million.

I want to know what is going on. Is this a new set of conditions? What kind of game is this minister playing with the farmers of Canada? Why not just release the

money now, no strings attached, as insisted upon by the western premiers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is unfortunate that the hon. member does not follow the debate more closely but rather gets engaged in his own rhetoric.

I indicated in the House yesterday that the Manitoba government had come up with programs which would be eligible for a matching contribution from the federal government. We are at the stage now where $8 million from the provincial government would generate a pay-out of about $72 million to the farmers in Manitoba. I think that is a pretty good deal for the farmers and for the Government of Manitoba.

I would urge the hon. member to use his good office to influence the Government of Manitoba to come on board. I think this could facilitate and speed up the process very much.

In commenting, the hon. member should know that since this government came into office support to the agricultural sector, particularly to western Canada, has increased by about 600 per cent over the time the party of which he is a member was in office.

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IMMIGRATION

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, my question is for the Minister of Employment and Immigration.

Yesterday the minister admitted that some rejected refugee claimants have been drugged against their will so they could be easily transported from Canada. This practice directly contravenes the Charter of Rights and Freedoms as well as the Universal Declaration of Human Rights.

Canada has no statutory justification for the compulsory sedation of detainees. It is not even used on convicted criminals who are being transported on commercial airlines.

My question to the minister is: Will she table in the House a list of the deportees who have been drugged against their will since January 1, 1989? Will she make public the existing departmental guidelines under which this practice has been condoned?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I think the question and the preamble to it were distorted from what was actually said.

I want to make the facts very clear because I know the hon. member has an interest in this issue. I want to take the time to explain thoroughly.

First, deportations come at the end of a long legal process after avenues of appeal on humanitarian and compassionate grounds have been considered. From January 1, 1989 until currently there have been 3,125 deportations from Canada of which 9 came following some medical examination. If someone who is to be deported and in the eyes of an immigration official requires medical treatment of any sort whether it is because they are diabetic or have a heart condition, they then call in a medical examiner. So, the 9 of the 3,125 could have been examined for any reason.

If that medical examiner determines that some medication is required, it is the medical examiner who administers that treatment whatever it may be.

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, the minister has not answered my question at all and I regret that she is refusing to put the facts on the table. She must be aware that the charter of Canada says 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.

Will she put a halt to the practice of compelling deportees to be drugged in certain cases against their will, or at least suspend that practice until it can be reviewed. In other words, will the minister just say 'no' to drugs?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I tried to outline that there are some safety considerations involved. We have had an immigration officer who was injured in the process of accompanying a deportee travelling back to another country. Whatever treatment is to be administered is determined by a medical examiner, a doctor. It is not determined by myself. It is between the doctor and the person being examined. It is for the courts to decide if there is a complaint under the charter. It is not up to me to interfere with medical practice under the laws of a province in which the law is administered by a medical examiner.

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the same minister. Yesterday the minister not only condoned but defended the drugging of deportees against their own free will.

I have confirmed with two previous Liberal ministers of immigration that this clearly was not a policy of those previous administrations.

Therefore I ask the minister whether she can now clarify if this offensive practice represents an official policy of this government and please inform the House why this became policy when in fact before, when we were still deporting people, this practice was not only not condoned but was not utilized and other means respecting medical, ethical, and human rights codes were utilized?

Is this policy, when was it started, and why?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I have tried to indicate to the House and to the hon. member that it is not a policy of this government. I would certainly be disappointed to learn that prior ministers of immigration did not call for medical assistance to treat people who are to be deported if such is necessary.

That is the action we take. Any treatment from there on is between the medical examiner and the person involved.

Mr. Sergio Marchi (York West): Mr. Speaker, I find it ironic that refugees flee countries whose regimes have no respect for human rights and this government then deports people by flagrantly abusing another aspect of those same human rights. The minister cannot have it both ways.

I ask the minister again, after having reflected on this serious issue, is the minister now prepared to put an immediate end to such a deplorable practice? If we wish to protect the safety of the travelling public, which we should, are there other means by which we can do so without trampling over those medical, ethical, and human rights codes that any western civilized country would like to adhere to?

• (1450)

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, this is an issue that I do, indeed, take very seriously, both in terms of the health and safety of the people and in terms of human rights. There is no question about that.

I do believe that physicians operate under the laws of their province, that it is their job to practise their profession ethically, as it is any other profession, and that they have a code of ethics. If a practising physician determines that some treatment is required, that is between the physician and the person being treated. I would not interfere with that process.

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FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans. Yesterday he announced that there would be amendments to the Fisheries Act calling for fines of up to $1 million for harmful alteration, destruction or disruption of fish habitat. Today, 60 miles southeast of Halifax, there are 42 foreign boats fishing in what is called the silver hake box.

Ironically, Mr. Speaker, our fishermen cannot go to that area because the line next to the silver hake box, the line that cuts the two, is a spawning area for pollock.

Will these fines apply to foreigners found disrupting the habitat in our waters when our fishermen are not even there?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I do not resent being called upon to give a lesson in legal terms to the hon. member. If she wants to know whether someone in Canadian waters or someone on Canadian land can be prosecuted if they happen to breach a Canadian law, yes, they can be prosecuted.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, my supplementary is directed to the Minister for International Trade. Yesterday's bail-out was less than expected by the many workers. It only amounted to $130 million and was designated only to some workers, in fact, the offshore workers for northern cod.

Was this amount so little because the minister and his cabinet feared the American reaction under the free trade agreement, or will the Americans now use the free trade agreement against the offshore companies, citing unfair subsidies received from this government?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, we have never had any representation, not even subliminal, from the United States, or any person in the United States, about our programs to assist Canadian fishermen.

I was very pleased to notice the reaction of Richard Cashin, President of Fishermen's Food and Allied Workers Union, who was very supportive of the program announced yesterday. Of course, he had some criticism but he was balanced in his criticism, not like the opposition who are unable to see anything good in any announcement the government makes. Even $584 million does not earn any appreciation from the opposition.

I quote from an official release which states:

> Valcourt's recognition of compensation for fishermen was encouraging.
>
> Mr. Cashin feels the Inshore Council will be encouraged by the emphasis put on bona fide fishermen.

That is what the leaders of the fishermen say, unlike the spurious allegations and nonsensical criticisms of members opposite.

* * *

SOCIAL PROGRAMS

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is directed to the Minister of State for Seniors.

In the last budget the New Horizons program was allocated $15 million. Although it was not raised from the previous year, at least seniors were happy there were not any cuts, as has happened with so many other social programs.

My office has been informed that the Minister of National Health and Welfare has secretly and unilaterally cut $4 million, over 25 per cent from this very valuable program.

Some hon. members: Shame!

Mr. Axworthy (Saskatoon—Clark's Crossing): Will the Minister of State for Seniors explain why this important program for seniors has been cut after the budget allocation has been made? Could she also explain why only one province has been exempted from these cuts?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I wish to confirm that senior citizens will remain a priority for this government, that the programs we have put in place since 1984 are being maintained, and that as the Minister of State for Seniors, I fully intend to continue to consult this group and estabish programs appropriate to their needs.

Of course, it is only common sense to evaluate programs and adjust them to changing needs. To this government, the elderly are first class citizens, and we want to work with these people and set up programs, once an assessment has been made.

[*English*]

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, the minister ignored both questions, but I want to ask her whether or not she can confirm that this $4 million has been taken out of the New Horizons program.

Can she also indicate whether or not she feels that Solange Denis and the other seniors from across Canada have to come to Parliament Hill once again to demonstrate in order to be treated with fairness and dignity?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, as a government, we can say that today, our seniors have three times as much in the way of programs as they did when we came to power in 1984. The reason they came here on the Hill to demand their rights is that, unfortunately, any information that comes from the other side, whether we are talking about the goods and services tax or any other legislation, is given a demagogical twist. I repeat, what we must do is consider seniors as first class citizens and treat them as equals. We can talk about funding cuts, but in any case, we are maintaining our programs for senior citizens.

[*English*]

BILL C-21

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, my question is for the Minister of Employment and Immigration.

In my riding and in all high-unemployment ridings, workers are being penalized because they are being asked to work the same number of weeks to qualify for unemployment insurance as they do in high-growth and high-employment areas of this country.

Can the minister bring us up to date on Bill C-21, and state whether or not this question will be addressed in this bill?

Hon. Barbara McDougall (Minister of Employment and Immigration): Mr. Speaker, I certainly thank the hon. member for this question.

This is a concern that is shared by many members of the House and by many members of the public. Bill C-21 makes the variable entrance requirement a permanent part of the unemployment insurance system, something that past governments lacked the foresight to do.

I would remind hon. members that the VER situation will become increasingly worse until we have Bill C-21 in place. Not only does Bill C-21 provide for VER as a permanent feature of the program, but it also includes $800 million in training and adjustment money which will be of assistance to the hon. member's riding and in his region.

* * *

FISHERIES

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I am pleased to report on behalf of the Leader of the Opposition, and I suspect on behalf of the NDP, that if the minister will bring a variable entrance requirement bill to the House, we will pass it in 10 minutes.

Some hon. members: Hear, hear.

Mr. Tobin: Mr. Speaker, my question is directed to the Prime Minister and it concerns the $586 million fisheries adjustment program announced by the Minister of Fisheries.

Yesterday, the hon. member for Beauséjour asked the government to tell Parliament and all Canadians how much of the $586 million in question is new money, how much of it comes out of the current UIC fund and how much of it comes from the Atlantic Canada Opportunities Agency.

Canadians know this is a five-year program, and Atlantic Canadians know it does not apply to every region. They are now waiting to find out whether substantial portions of the fund are going to come out of existing Atlantic development programs. We want to know just how big a charade is being pulled by this government.

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, obviously the package must not be too bad.

It is so big that the hon. member wants to know whether we had to take money from other programs in Atlantic Canada to fund it. The answer is no. This is new money.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I then put the following proposition to the minister.

Does he and the government accept—

Some hon. members: Oh, oh.

Mr. Mulroney: Question!

Mr. Tobin: There will be a question, Mr. Prime Minister, hold on to your shorts.

• (1500)

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Tobin: Surely the government accepts that the current crisis in the Atlantic fishery is a consequence of government mismanagement, not fishermen's mismanagement. If the minister accepts that premise, will he now tell the House of Commons why he is telling people in fishing communities in Atlantic Canada that they must find alternate means of employment for themselves or resettle? The crisis is a consequence of government mismanagement, not mismanagement by fishermen and plant workers themselves.

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, this rhetoric is quite similar to some I heard Sunday night. The hon. member may want

to blame people and try to blame previous governments, but the fact is—

Mr. Tobin: You are blaming the fishermen.

Mr. Valcourt: No, I have never blamed the fishermen. Some fishermen have overfished. Foreigners have overfished. We have a problem there. We are trying to work with the people in place.

I know it is not to the liking of the member to see this government working with the people positively, but I am sorry, that is the way we work.

GOVERNMENT ORDERS

[*English*]

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND—CONSIDERATION OF SENATE AMENDMENTS

The House resumed consideration of amendments made by the Senate to Bill C-21, an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act; and on the amendment of Mrs. McDougall (p. 11064); and the amendment of Mr. Fisher (p. 11109).

The Acting Speaker (Mrs. Champagne): At two o'clock, there were five minutes remaining in the question and comment period following the speech of the hon. member for Halifax. Are there further questions or comments? The hon. member for Kamloops.

Ms. Mary Clancy (Halifax): Madam Speaker, I did not finish my comments.

The Acting Speaker (Mrs. Champagne): The hon. for Halifax.

Ms. Clancy: I thank you for your indulgence, Madam Speaker, as I had not yet completed my comments with regard to the comments of the hon. member for Burlington. Particularly after the exchanges in Question Period, I wanted to thank the hon. member again for his suggestion that the town of Lockeport get into the business of making fish-nets and fish-hooks.

After listening to the comments of the Minister of Fisheries and Oceans and the questions from my colleagues regarding the overfishing by foreign fleets and the depletion of fishstocks, and the Minister's answer about Atlantic fishermen who are, according to him, refusing to fish, I wonder if my hon. friend from Burlington still feels that there would be a viable business for the people of Lockeport, and possibly the people of Canso, making fish-nets and fish-hooks.

Mr. Kempling: Madam Speaker, if I may respond to the hon. member, certainly, there is an opportunity there. I know that business fairly well. My son is involved in it on the west coast so I speak from a good deal of experience.

Ms. Clancy: They have more fish there.

Mr. Kempling: The part that bothers me is that the hon. member seems to try to convey that there are no fish at all. Fishermen are still fishing, quotas have been given out, and they are catching their quotas. There are not as many fish. We know that. Was it our government's fault? I do not know.

Ms. Clancy: Yes.

Mr. Kempling: What about previous governments? Has there been overfishing by our fishermen? Are they selling them over the side and not reporting it? There are a thousand games played and the member knows it.

I think that anytime there is a difficult economic situation, employment can be found. The member talked about villages being abandoned and so forth. Where did the people who came to Nova Scotia come from? They came from Scotland where there was no work.

Ms. Clancy: Where they were cleared out to be replaced by sheep.

Mr. Kempling: They came from Ireland where there was a potato famine. They came from Iceland, Germany, the Ukraine, Poland, and all over the world. Why? Because there was nothing there and there is something here.

Ms. Clancy: And they thought they had a better life and they want to stay.

Mr. Kempling: That is their decision. It is not necessarily our responsibility.

Ms. Clancy: Move or starve!

Mrs. Coline Campbell (South West Nova): Madam Speaker, I would only say to the Parliamentary Secretary that there are many people in my area who feel there is a renewable resource there, that they do not have to leave, and that, if this government was doing a good job of administering the fisheries, they would not be leaving. It is just like those people in the west who are giving up their farms because they are not getting the assistance

that is needed. This government has decided to be afraid of a free trade agreement with a country that would kill us everytime we turn around if it could in terms of trade.

The Acting Speaker (Mrs. Champagne): The hon. member for South West Nova might accept that the Chair reminds her that the question and comments are following the speech of the hon. member for Halifax, and not the question and comments made by the hon. member for Burlington.

There is a minute left for the hon. member.

Mrs. Campbell (South West Nova): Madam Speaker, I will get to the question for my colleague, the hon. member for Halifax. But, in asking the question of my colleague, I am sure that I can enlighten the hon. member regarding those terrible questions he tried to put a few minutes ago.

Coming from Halifax, I am sure the hon. member realizes the effect in the Halifax area of such a depressed fishery and the lack of direction the government is giving to it. It is having its effect even in the Halifax area in terms of the economy. Looking at figures showing the amount of money lost because of the fishery and the misdirection of this fishery, it has to be affecting the cities of Halifax and Dartmouth, the capital of the province. I would like the hon. member to comment on whether or not our people are having to go to Halifax or further to find jobs.

The Acting Speaker (Mrs. Champagne): A very short comment from the hon. member for Halifax.

Ms. Clancy: Madam Speaker, I thank my hon. colleague from South West Nova for her comment. As a fellow Nova Scotian, I do understand. Indeed, this will have major effects on my riding of Halifax, and on the neighbouring riding of Dartmouth. These cutbacks in unemployment insurance in the hon. member's riding and some of the other more rural ridings of Nova Scotia and the government's policy of move or starve will cause many people to move to the Halifax area. They will be no better off because of the cutbacks in UI in Halifax. The City of Halifax municipal social services and provincial social services, already overstressed, will be overstressed to the breaking point. The reaction of the people of Nova Scotia, in general, is horrendous.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I am pleased to take part in this debate today in support of the motion of the Minister of Employment and Immigration.

We have to go back a little in history to take a clear look at what we are doing as a party and what we are attempting to do with Bill C–21.

In the Throne Speech last year, we set out our intention to build a strong economy. We intended to put Bill C–21 into that sense of building a strong economy and building an economy that responds to the needs of the 1990s and into the year 2000.

The reason we are going in this direction is quite simply this. In 1984, when we took office, we made a commitment to the Canadian people that we were going to take the country in a direction that had been missing for many years under previous administrations. We in fact did that. In checking the record of what we had done between 1984 and 1988, Canada has had the strongest economy in the world. Between 1984 and 1988, we ranked number two in terms of growth in the world behind just one country, Japan. That clearly illustrates that we are doing the right things, going in the right direction, and doing the things that Canadians elected us to do.

• (1510)

This holds true for Bill C–21. We were elected in 1988 to do the right things and to do the things that would put Canada number one in the world in relation to growth, our ability to do things for ourselves, and training for workers. That is exactly what Bill C–21 is all about. It is to thrust us into the 21st century in a way which was not possible under the old administration. That, in a sense, is the history of that party.

I cannot talk in that sense about the NDP party, because, fortunately for Canadians, it has never formed a government in the country and God forbid that it ever would.

Mr. Harvey (Edmonton East): Madam Speaker, I rise on a point of order. I realize that this is a small point, but it would do my heart good—and I am certain it would do the hearts good of several people across the country—if

members would stop referring to the "NDP party" and start referring either to the NDP or ND party or some such formulation as that. I would surely appreciate it.

The Acting Speaker (Mrs. Champagne): I am sure that the hon. member does know that this is not a point of order, but his wish has been heard. The Chair cannot comment any more. The hon. member has the floor.

Mr. Thompson: Madam Speaker, we can always use a little humour in this place from time to time and I am glad you recognize that. I am also glad that the NDP member recognizes that as well, because they do have a lot of humour on their side and, I guess, a philosophy that in a sense has nothing to do with reality.

In this bill we are attempting to address some realities in this world, the real world. I do not have to go back too far. In fact, I can go back to what happened yesterday in Nova Scotia and our announcement in relation to the fisheries program to help the fisheries which are under siege and experiencing a number of difficulties. We are the party of realism, attacking real problems with real solutions. The only way to get out of a difficulty—and we recognize this as a party—is to work one's way out of that difficulty. Bill C-21 is going to do that. It is going to thrust us into the 21st century.

With regard to yesterday's announcement, the difference between the government, the Liberal Party, and the NDP is that we can see positive aspects in Atlantic Canada. There is a great deal that is positive in Atlantic Canada, and we are going to work on that positive base to build a future for Canadians. Not one member of the House on the opposition side, whether they be NDP or Liberal, stood up and gave us one ounce of credit for what we did yesterday, not one ounce. Why? They want to continue to bury their heads in the past.

All you have to do is examine their record, Madam Speaker. When the Liberal government got into trouble in the past, it simply got out the cheque book and attempted to pay or to buy its way out of problems. The difficulty arising from that is that it overspent for 20 some odd years and left us with a legacy of debt.

Mr. Pickard: Seventy per cent tax increases?

Mr. Thompson: Madam Speaker, I am going to have a drink of water while the member next to me here spouts off and it will give me a little bit of a rest.

Mr. Pickard: You need a drink of water on that one. Seventy per cent tax increases. Doubled the debt.

Mr. Thompson: Madam Speaker, they were the ones who burdened us with the debt and we are the ones who are going to have to work out from underneath that legacy of debt.

They are attempting to do the same thing. I knew this member would bring that up. I am ready to talk on that.

The Acting Speaker (Mrs. Champagne): Please, I do want to hear the hon. member's point of order, but with all the noise in the House I could not hear him. The hon. member for Burin—St. George's.

Mr. Simmons: Madam Speaker, as usual you are miles ahead of me. My point of order was that I want to hear my good friend put his case as to why he is supporting this bill, but I cannot hear a word for the two ministers over there. I wonder if you would restrain them for the time being.

The Acting Speaker (Mrs. Champagne): That certainly makes at least two of us. The hon. member.

Mr. Thompson: Madam Speaker, I am not sure what it is about this member of Parliament, but every time I get up to speak I am rudely interrupted by the opposition. I am not sure if it is because of where I am placed strategically in this House, but every time I speak I am always the focus of a great deal of criticism from that side of the House. I can take the criticism that they are levying at me because it is simply a reaction going back to those years, as I mentioned before I sat down, of that $200 billion debt with which they saddled us.

Before I sat down, I was mentioning the fishing aid package announced yesterday and the fact that there was not a positive statement from those people on that side of the House in relation to that package. I expect absolutely nothing positive from that particular party.

Returning to the bill we are debating today, the proposals that they are putting forward to Bill C-21 simply, clearly, and undeniably point in the direction that that party has taken for many, many years.

They are putting in proposals, via the Senate, that will raise the cost of that bill by $1.7 billion. The point that I

am making is that historically the only way they get out from underneath a problem is simply by buying their way out.

In Canada, we have developed programs to help Canadians. There is no question about that. We are very proud of the safety nets that we have developed for the Canadian people, for example, for senior citizens who receive old age pension cheques, Canada pension, and the best health care in the world. We are very proud of those social nets. Those are the kinds of social programs that we want to continue to create in Canada. Most importantly, we want to create programs that we can actually pay for.

The difference between us and the socialist parties, and the Liberal party most notably, is that they want to take those safety nets and use them to entrap Canadians. Instead of using those nets as they are intended, to help and protect people, they want to entrap Canadians in them.

It is pretty clear, Madam Speaker, if you read Bill C-21, that that is exactly what they are attempting to do. No one who is knowledgeable about education and training workers would object to what we are attempting to do in Bill C-21. We want to train Canadians for the future. The opposition is living in a dream world. They are dreaming in technicolour. We are living in a world that is very competitive, where competition is not the province next door or the community next door, it is the world. If we have fallen down as Canadians, that is where we have fallen down.

• (1520)

There is not a member in the House who could dispute the fact that we are competing with the big world. Those workers in Canada who find themselves displaced from the workforce deserve something more than just simply money, a cheque. A cheque does nothing at all to solve that problem.

The Liberal party and the NDP do not want to face that reality. They do not want to open up that door at all. They just simply want to hand out money, regardless of whether or not we have it, just sign the cheque and get it out. To heck with the real problem, do not address the root of the problem, just throw money at it. We are not going to do that.

I want to take the liberty to point out some statistics to our friends on the other side. Bill C-21 allows for a 45 per cent increase in funding for labour force development. It will give life to the Labour Force Development Strategy; a 45 per cent increase. Does that indicate to you, Madam Speaker, that we are on the right track? I think it does. It will increase the quantity of training and of skills for workers, and with a greater commitment on the part of the private sector. That is an area in which we have fallen down drastically in this country.

We as a nation spend less than one-half the amount that U.S. firms spend on training. That tells us something about being competitive in the market-place. What the U.S. spends on training is just a fraction of what other countries like Japan spend for their workers.

Bill C-21 will commit $231 million to training in the private sector. That money will be leveraged with private funding. That will bring in about something in the order of $1.5 billion in additional investment for training in that sector.

Our goal is to create a training culture where employees and companies practice development skills on an ongoing basis so that we can remain competitive in that real world, and that we are not afraid to address it as a government and I do not think we are afraid to address it as a nation.

Part and parcel of Bill C-21 is $100 million for the purpose of setting up new entry level training programs directed at young people. If we are going to have a future and if this country is going to enjoy prosperity in the coming years, it has to be through the young people who are replacing us in the workforce. We have to offer them the training that they need to get out there and compete, whether it be at the university level or the technical school level. We must do it. We are putting dollars into programs to make sure that that happens.

I am not sure why, but in my province of New Brunswick, there is a high degree of illiteracy in Atlantic Canada. In fact, the educational levels of Canadians increase from east to west. It might have to do with the fact that many of our trained and educated workers have had to move from Atlantic Canada to other parts of the country. Maybe there is an equation there of some sort or correlation between those statistics.

There is no question that there is a high degree of illiteracy in my home province of New Brunswick. The same holds true in Prince Edward Island, Newfoundland and Nova Scotia. It improves somewhat moving through Quebec and Ontario. British Columbia has the statistic

which we are attempting to achieve back in New Brunswick. It has the lowest rate of illiteracy in the country.

There is no question that the success of our province and of Atlantic Canada hinges on legislation like Bill C-21, because it is going to address some of those very real problems that we cannot duck. We cannot duck those problems in the real world.

We can stand here in this House and criticize every single bill that comes before this House, if we want to be nitpicking because no bill is ever perfect. We are all mortals in this House, Madam Speaker, and we are attempting to deal with problems brought on by Canadians like you and I and we are not going to solve those problems by running and hiding from them.

Unemployed workers will receive an additional $350 million under this program. That will reach 60,000 additional UI claimants in the country. Another $50 million will go to current training employment programs in co-operation with the provinces, and we have done that since 1986.

The problem with this particular bill is that it is being held up in the Senate. The Senators are doing it for a very simple reason.

Mr. Nault: Because the bill is no good.

Mr. Thompson: Partisan reasons. They can claim the bill is no good, but they have to prove that it is no good and they cannot do it. They have not done it yet and they will not do it. They can get up on their hind legs and cry and holler and wave their arms, but the truth is they do not have a realistic alternative to this bill.

Let me read some of the editorials from around the country concerning this bill and what they have had to say about it: "The arrogance" they call it "of the unelected Senate". We have to remember that the opposition in this House, namely the Liberal party, are taking their marching orders from Allan. We refer to him as Uncle Allan in the Senate. That is who gives the marching orders. It is not the whip or the House leader. It is their leader in the Senate.

I want to quote what Mr. MacEachen had to say about the Senate as he was being sworn in as a Senator. As you know, Madam Speaker, it was Prime Minister Trudeau who put Mr. MacEachen in the Senate. This is what Mr. MacEachen had to say about the Senate when he was appointed back in 1984:

> No member of this chamber would suggest that the Senate should—systematically obstruct the will of the majority in the elected body of Parliament—

That is what he said. He is not a man of his word, because he has pulled this trick on the House of Commons on a number of occasions going right back to the election of 1988 and our free trade agreement.

There is a connection between this bill, the free trade agreement and the GST. The theme that I have been trying to reach in my short time is simply that we are part of a very competitive world. The UI bill will make us more competitive. The incentive is to get further training, to get into the industries and the areas of technology that we have to enter. The free trade agreement opens up the borders so that we can compete. The GST is going to eliminate those trade barriers in relation to the taxation of the products that we produce here at home and have to sell on the international market.

This is a bill that is going to propel us into the real world that we are facing this very day in Canada. I am proud to be here supporting this bill. I am sure that the pressure will come from ordinary Canadians to make sure that this bill does pass the Senate.

• (1530)

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I listened with great interest to the remarks of the previous speaker on Bill C-21. I also listened with interest to his comments about the private sector putting more money into training in this nation. If it does, it will certainly be a change of pace from the previous history in Canada. I have worked for companies large and small. I have tried to negotiate labour contracts with companies large and small. We tried to negotiate for them to take a larger responsibility for training and I assure you that it was to no avail.

Success in the Workplace, the great propaganda leaflet that came out with Bill C-21, makes reference to the private sector. It says: "Formal training is offered in only about 25 per cent of firms, mostly larger employers. Over all the private sector in Canada spends about $1.4 billion on formal training, less than half of that of the United

States on a per employee basis". The previous speaker outlined this.

The document goes on to say: "The government's objective is to stimulate an additional private sector training effort of $1.5 billion a year by 1994. The increase is needed to raise the level of Canadian private sector training to that of the United States."

Under C-21 the workers are forced, through an arbitrary increase in their premiums, to contribute more money into the unemployment insurance fund.

How is the government going to get that $1.5 billion from the private sector in Canada? Is it just going to do it on hope or is it going to really seriously get that money on a per year basis?

Mr. Thompson: Madam Speaker, coming from the NDP, that is a very good question. I take it with a great deal of sincerity.

The employers and businesses, whether they be high tech or resource sector businesses, realize that they have to contribute if they are going to succeed. Industry in this country has realized that for a number of years. It recognizes that there is a problem. If the hon. member would check his statistics he would see that there are many resource sectors and high tech sectors within this country today which are having some difficulty getting trained workers, and they are more than willing to put up their dollars, and they will.

Mr. Rey Pagtakhan (Winnipeg North): I would like to ask the hon. member a question. First, how can he propose the argument that the Senate is non-democratic when the institution is part of our parliamentary democracy? Were he to carry his argument to its logical conclusion, the Supreme Court of Canada, whose justices are appointed, would be considered undemocratic too.

How can the hon. member reconcile with common sense logic his argument that the Senate, the members of which have been appointed by the elected government of the day, is non-democratic? Only because it acts against the wishes of government?

Second, when the people tell us that people disagree with the proposals of government, is that will of the people not a true measure of democracy as now reflected in the amendments coming from the Senate?

Mr. Thompson: Madam Speaker, the difference between the House of Commons and the Senate is simply that we have to put our policies, our platforms and our record before the people every four to five years, and we have to be accountable to the people. There is not a person in this House who did not have to get out and fight an election in 1988. Each and every one of us, if we choose, will be doing the same thing in 1992 or 1993.

I want to quote from an article written by Jeffrey Simpson about the Senate. I think this will in part answer the question put forward by the hon. member.

In the article in *The Globe and Mail* of May 1, 1990, Jeffrey Simpson said:

> How exhilarating it is for senators who have never contested an election, or haven't contested one for many years, to consider themselves the public's champion. And how comforting it is, should they be wrong about public opinion, to know that they will not confront the public in the next election.

He goes on to quote Stanley Baldwin. Jeffrey Simpson says:

> As Stanley Baldwin said of British newspaper barons, senators have power without responsibility, the "prerogative of the harlot throughout history".

That is exactly the point that I am attempting to make. They do not have to be responsible to the Canadian people. They do not have to care about Canadian people. They simply have to display their arrogance when they choose. They do not have to go before the Canadian people in 1992 or 1993 as all of us in this House do. I think that has something to do with responsibility.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I have been listening to my colleague with whom I have had many discussions on a number of issues. I think that perhaps at some point we have discussed this one.

I have listened to his views on the unelected Senate doing what he says is something quite terrible, that is, giving sober second thought and trying to refine a bad piece of legislation.

Since my colleague is so opposed to the Senate exercising or even being involved with the democratic process, would he agree that the Senate should not be tampered with by this government or any future government for political will? I am talking about what we have seen referred to many times in the paper, that being the stacking of the Senate, which his party is reported to be preparing to do, to put additional senators in using a clause of the BNA Act.

Is the member so committed to freeing up this unelected body that he would oppose any measure by this government or any future government to stack the Senate using the clause of the BNA Act which would allow a number of senators to be appointed at large, which, if it was done, would be just done for political purposes?

Mr. Thompson: Madam Speaker, if the Senate behaves responsibly, which I think in the final analysis it might just do, that question will simply be hypothetical. That statement or comment at this point is hypothetical because that is what it is all about, having a Senate that acts responsibly in accordance with the wishes of the people. The wishes of the people are sitting right here in this Chamber.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I wonder if the hon. member would confirm that the government's vision of where training and retraining is going is about as confused, unclear and fuzzy as is its vision with respect to education.

You will recall that the Prime Minister said, I believe it was in Halifax last June, that in their second term they would be concentrating on human resource development. The government cut transfer payments, reduced research and development, added a 3 per cent administrative fee on students and did virtually everything to make us non-competitive with our major trading partners.

Will he please confirm that the confusion exists not only in training and retraining programs, but throughout the whole breadth of education, training, retraining, literacy, research and development? I would like a simple yes or no.

Mr. Thompson: Madam Speaker, it is not as simple as a yes or no because of the preamble. There is no country in the western world, or indeed the whole world, that does more for its students than Canada. There is no question about it.

The quality of life in this country surpasses that of every country in the world, despite our problems. We want to enrich and enhance the training of Canadians. If you examine what we do to support university students in this country you will come to the same conclusion. We do a very good job. There is an incentive for the students to work on their own to help themselves because you get the best results from those who have to go out and do it for themselves. A certain portion of education in this country is on the shoulders of the individual. We are not going to spoonfeed anyone. But we do have the programs in place that make our educational system the best in the world.

• (1540)

Mr. Ross Harvey (Edmonton East): Madam Speaker, I am delighted to rise today in the debate on the government's motion moved by the Minister of Employment and Immigration.

I am especially delighted that I am able to speak on the amendment to that motion proposed by my hon. colleague from Saskatoon—Dundurn which would basically thank the Senate for its interesting work and simply withdraw the bill, because that is the fate it most definitely warrants.

Before addressing particularly the merits of the government's motion and the amendment before us, I would like briefly to review the highlights, if that term can reasonably be applied here, of the history and contents of Bill C-21 as we now have it. To start, we must bear in mind throughout the entirety of this discussion that the Mulroney government's changes to the unemployment insurance program are a major part of a fundamental shift in the way income security programs are designed and financed in Canada.

These changes to unemployment insurance are an attack on both the employed and the unemployed. They will have the effect of moving our UI system closer to the American model of which this government seems so enamoured in so many realms.

Despite all the changes made to UI since it was introduced in 1940, many of its fundamental principles—thus far—remain intact. Unemployment insurance is a social insurance program designed to replace workers' earnings during an interruption of earnings due to job loss, or leave due to pregnancy, sickness, child care or training. The burden of funding is split among workers, employers and the federal government, thus far.

It must be emphasized that UI is not a social assistance program. It is not designed to redistribute wealth from the well-to-do to the less-well-off. Such assistance programs as the social allowance, the guaranteed income supplement and, should we ever achieve it, a guaranteed annual income, are designed to protect people against absolute deprivation.

By contrast, UI is a social insurance program which, like the Canada Pension Plan and Workers' Compensation, is designed to replace earnings in the event of unemployment, just as the others are designed to replace earnings in the event of retirement or an accident in the workplace, respectively.

UI is a program that benefits most Canadians. While it is easy for us who have actually been unemployed to see the value of UI, it is equally certain that UI benefits those who remain employed. As the Alberta Federation of Labour put it in their excellent brief to the UI legislative committee in Edmonton on September 13:

> The income security provided by UI allows employed workers to consume more of what they earn, and hence enjoy a higher standard of living, than would be the case if they had to hedge their consumption patterns against the risk of unemployment.

So unemployment insurance is an integral part of that collection of Canadian social programs that sets us apart fundamentally from, for example, our less fortunate neighbours to the south. In Canada we recognize the value of co-operative collective efforts to insure ourselves and our friends and neighbours against hard times, and we do so through our governments.

But the Mulroney government is setting about to change this, in part through this bill. How?

First, Bill C-21 will cut regular UI benefits by more than $1.5 billion a year. It will do this in three ways. First, it will do it by increasing the entrance requirements from 10 to 14 weeks of work to 10 to 20 weeks of work, with many more instances of 20 weeks being required. Second, it will reduce the maximum duration of benefits. Third, it will increase the penalties on UI claimants who quit or are fired from their jobs from the current maximum of six weeks penalty to a minimum of seven weeks and a maximum of 12 weeks penalty.

Second, Madam Speaker, Bill C-21 will transfer the government's entire share of UI benefit costs—about $2 billion a year—to workers and employers. This is a complete rejection of the current recognition of the effect government policy has on unemployment rates. Under existing UI legislation the government's share includes regionally extended benefits when the local unemployment rate is over 4 per cent.

Third, the government will allow the UI Commission to use up to 15 per cent of UI funds for schemes and programs such as training, work sharing, job creation, moving costs, travel, business start-up, self-employment bonuses to accept a job quickly, and so on. This means that job training programs will be paid for, not out of general revenue as is currently the case but out of funds snatched from the existing UI safety net.

In all these ways the government is cutting unemployment insurance. How will these changes affect working Canadians? The most obvious effect will be that workers will have less protection against catastrophic income loss when thrown out of work.

In its release of October 2 the Canadian Council on Social Development stated: "The government is performing a high wire act with the income security of Canadians in the balance". By making UI harder to get, the government is in a sense taking one of Canada's most important safety nets out from under that high wire and moving it further and further away.

According to Statistics Canada figures obtained by the Canadian Labour Congress, increasing the number of weeks of work required to be eligible for benefits—and this is only one aspect of the changes—alone would have meant that nearly 130,000 Canadians who received benefits last year would not have received those benefits.

In Alberta, 5,400 UI claimants would have lost their benefits. In Edmonton alone, 3,000 people, accounting for $12 million in benefits, would not have qualified for UI.

The massive cuts in UI benefits will also increase the power of employers over workers. Unemployed workers denied benefits will naturally be more inclined to take the first job open to them, regardless of the wages and benefits paid by that job, and those with jobs will have fewer options and will be forced to put up with harassment or with unsatisfactory, low paid, and even unsafe work.

The erosion of UI thus not only diminishes the protection of workers who lose their jobs. It also tends to erode the wages and working conditions of all workers by providing employers with a greater opportunity to take advantage of the desperation of the unemployed and the underemployed.

In classic economic terms this is called disciplining the working class. It is odious and contemptible. Even when they are employed, workers will be hit directly in the pocket book. Starting January 1 of this year premiums will have risen by 15 per cent costing a worker making by a no means princely $400 a week an extra $62.40 a year.

It gets worse yet. Another effect will be equally foul. Those workers who need UI the most will be the hardest hit by the cuts. According to a Global Economics study, 80 per cent of all Canadians negatively affected will have annual incomes under $25,000 a year.

In Alberta, 72 per cent of those harmed by the changes, that is 51,000 people, will have an income of less than $20,000 a year. A full 32 per cent, or 23,000 people, will have incomes below $10,000 a year and will experience an average reduction in benefits of $1,800, fully 18 per cent of that meagre $10,000 a year. As incredible as it may seem, this bosses' government is proposing to enrich itself by further impoverishing those earning only $10,000 a year.

Why is the government doing this? We keep hearing the same refrain: "The deficit made us do it". Yet the Mulroney government persists in letting 60,000 profitable corporations pay no income tax at all, and more than 6,000 Canadians earning more than $50,000 a year continue to pay not a penny in personal income tax. By lowering the interest rate by 2 per cent, which it doggedly refuses to do, it could reduce that satanic deficit by $3.5 billion. Let us hear no more about this phoney deficit justification. It does not wash. It is not the reason.

What is the reason, then? Perhaps, just maybe, these changes are intended to help put Canadian business on what the government loves to call a level playing field with business in the United States. Lord knows it is not level at the moment, at least not so far as UI is concerned. Here in Canada 83 per cent of unemployed workers collect UI. In the U.S. only 25 per cent do. In Canada UI pays out up to 60 per cent of workers' average weekly wages. In the U.S., UI pays just 35 per cent. In Canada the average duration of UI benefits is 22 weeks. In the U.S. it is less than 15 weeks.

• (1550)

That is the direction in which Bill C-21 starts to take us. We are not there yet, but that is the level playing field that big business boosters of free trade are pushing for.

The government is using the bulldozer of Bill C-21 to help start the levelling. Not only is doing so wrong on the face of it, it is also hypocritical. Do you remember, Madam Speaker, that before the last election the government promised Canadian workers worried about the effect of the Mulroney-Reagan trade deal that they would have one of the finest adjustment programs in the industrial world? Do you remember how on November 15, 1988, just six days before the election, the government reinforced this calming message by raising UI benefits and lowering premiums? It is true. Now, just over a year later, the trade deal is signed and the government is slashing UI benefits and jacking up premiums.

Cynical, opportunistic, savage and anti-Canadian, that is Bill C-21. But the government will have its way. Oh, yes, the government will have its way. Bill C-21 will pass in this House and be rammed through the other place and become law and no member of this House, indeed no citizen of this country, is under any illusion in that regard. It may be wrong. It may be unjust. It may be cruel. It may even be a little touch of treason against the overwhelming majority of people whose Canada this really is, the people who go to work every day, day after day, for a wage or a salary, who seek to build a family and have a decent life for themselves. But that does not matter because the government will get what it wants.

This brings us back to the government motion before us and the amendment moved by my friend, the hon. member for Saskatoon—Dundurn. The amendments that the Senate has passed to us, while not without merit, are quite simply inadequate to deal with the fundamental execrable flaws in Bill C-21. Therefore, it matters little if the government picks and chooses among the amendments given to this House from the other place and decides that it may magnanimously adopt this little piece of tinkering here while having, unfortunately, to disregard that other little piece of tinkering there. All of that is immaterial when one considers the effects that Bill C-21 still will have on the vast majority of working people in this country.

It is not the government's motion that I wish to commend to the House today, but rather the amendment of the hon. member for Saskatoon—Dundurn. I urge every member in this House with ears to hear and a heart to feel and a brain to think, to accept that amendment, thank the Senate for its work, and have this bill withdrawn.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I have listened to my colleague quite intensely on this very major piece of legislation that is before us today. He has commended the Senate of Canada for at least holding up the bill and trying to propose some amendments to it to try to convince our colleagues in this place of the error of their ways and the negative impact that this bill is going to have on those across the country who unfortunately, because of the disproportionate spread of wealth across this country, time and again find themselves having to rely on unemployment insurance benefits for whatever period of time.

What would my colleague propose that we do? He mentioned that the bill has been in this House, out of this House, and is back in this House. He says there is no doubt that the majority, which is Conservative—catch that out there people; it is a Conservative majority that is trying to ram this bill through—will probably push this bill through this place and then it will be rammed through the other place.

I just want him to comment a little about how he feels the government might ram this bill through when it goes back to the Senate.

Mr. Harvey (Edmonton East): Madam Speaker, I should offer the modest qualification that I never said that we should congratulate the Senate or praise the Senate. I said that we should thank the Senate. I think to do otherwise would be impolite, and it is at this point only politeness with which I am concerned with regard to the Senate.

I would note as well that I assume that the amendments sent back to this House from the other place, dominated by members of the Liberal caucus, were in fact discussed at the Liberal caucus and in fact represent the Liberal caucus position with regard to Bill C-21. Lord knows we have seen no other coherent Liberal caucus position advanced at this point. I still consider them to be utterly inadequate and for that reason far prefer the amendment to the motion proposed by my friend from Saskatoon—Dundurn to the government motion or indeed to the amendments from the other place.

I fear I can offer my friend from the Liberal Party no solace or comfort in this regard but I can, I suppose, urge him to keep trying.

The Acting Speaker (Mrs. Champagne): Before I give the floor to the hon. member, 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 Drummond—External Trade; the hon. member for Mackenzie—Agriculture; the hon. member for Haldimand—Norfolk—Trade.

Hon. Roger C. Simmons (Burin—St. George's): Madam Speaker, perhaps we ought to remind ourselves that we are here once again with Bill C-21 entitled an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act.

A little more graphically, the assignment of the House, although we on this side refuse to participate in it, is to gut absolutely and irrevocably a very good piece of legislation that has served this country very well for a very long time, since I believe about 1978. Bill C-21, if implemented, would have the effect of doing some very damaging things to the country and to many thousands of people.

I hope that the gentleman from Carleton—Charlotte will pay close attention to what I have to say. I listened with great interest to him, as well. I thought the highlight of his entire presentation was when he spared no effort in praising some great social programs; what he called, and rightly so, the social net. He talked about medicare. He talked, by inference, about unemployment insurance. He mentioned the Canada Pension Plan specifically and then later in his discourse he mentioned the whole question of student financial aid programs.

I like a man who is fair. I must say that I took a certain comfort from the words of the gentleman from Carleton—Charlotte because he was in the process calling to the attention of the House a number of great social programs, all of which without exception were legislated by Liberal governments over the past several years.

My friend, the minister of energy, feels a speech coming on. We are looking forward to hearing from him in due course. In the meantime I would like to say to the gentleman from Carleton—Charlotte that I appreciated his citing those programs. He ought to have gone the extra step and pointed out two facts: one, that these programs were brought in by Liberal governments, and second: that the fight that we have had on Bill C-21 really characterizes what the larger fight is about.

• (1600)

We have been trying on this side since 1984 to stop the flood gates and to hold back the dikes because this Tory government, of which the member from Carleton—Charlotte is a supporter, is systematically dismantling and gutting those programs. I thought it significant that he should have spent some time talking about the student aid programs. I want to remind him that the students in universities and in post-secondary institutions in general are having much difficulty making ends meet financially these days because the government that he supports has refused since 1984 to change the basic financial guidelines.

It simply means that the students of 1990 who will be going to university this fall— some will not be going because of the policies of this government—will be asked to live on the same basic amount in terms of student loan assistance as their counterparts did six or seven years before. If he is concerned about that particular program maybe he should talk to his colleagues and see what they can do to stop socking it to those students in post-secondary institutions.

I rise to speak in this debate because I believe that the bill, if passed, will do some really terrible things to fishermen and their unemployment insurance. Of all the people who will be at risk by the passage of this legislation, none is more at risk than the fishermen. That is why the Senate took some time to propose a number of amendments.

The fishermen of this country are facing most desperate times, particularly in places like my riding of Burin—St. George's. It has 158 communities and there is hardly a one that does not have some direct involvement in the fishery. There is a total of 17,000 fishermen and plant workers who make their living directly from the fishery in the riding of Burin-St. George's. Many of those 17,000 are fishermen, either trawlermen or what we call inshore or near-shore fishermen. They are those people who commute to the fishery each morning and back home each night in boats that are from 20 feet to 50 feet long and in some cases, up to 65 feet long.

This bill, if passed, would, to use the fishing term one more time, gut the program as it relates to fishermen. I use that term because it is graphic and it strikes a note with my good friend, the minister of energy. If we could only get him to reflect on this, go back to cabinet and tell his colleagues in cabinet that they are very wrong in wanting to jeopardize the fishermen's benefits. Let me give you an example, Madam Speaker.

In 1988 fishermen paid approximately $18 million into the unemployment insurance fund and they received $269 million in benefits. That is quite a gap. It was otherwise in prior years when we had a viable fishery. There are some times when the fishermen are paying in much less than they are drawing down. If the government is going to back out of the program completely, who is going to make up that difference which, in 1988, was a difference of $251 million? The fear, of course, is that eventually some politicians will make a decision that it is time to scrap the fishermen's program as it relates to unemployment insurance. Under this bill, the unemployment insurance benefits to fishermen could be revoked by the approval of the Governor in Council only, by a cabinet decision. It is blatantly wrong that any cabinet of any government, sitting around the cabinet table, with their own immediate political agenda, without reference to the built-in accountability of Parliament, should have the authority to wipe out the benefits of such a large group of people in this country.

I could go on to deal with the adverse impact on unemployment insurance for fishermen, but I believe the point is made that we have had a good piece of legislation as it relates to fishermen and this is no time to do away with it, when the Atlantic fishery is on its knees.

Yesterday, my friend, the Secretary of State for External Affairs talked about the Atlantic fishery not being in jeopardy.

Mr. Bouchard (Roberval): That was not what he said.

Mr. Simmons: I say to the Minister of Industry, Science and Technology that he said exactly that. He took issue with me when I suggested it was in jeopardy. In yesterday's *Hansard* he said word for word; "the fishery in the Atlantic is not in jeopardy". That is what he said. I know the minister does not agree with him. He should have a chat with him on that point. I do not agree with him either.

Maybe that is the latest code word of the government. We heard the Prime Minister saying that there was no crisis in Atlantic Canada. Now the minister says the fishery is not in jeopardy. It is in very grave jeopardy, which is evident when we see the statistics in the community of Rose Blanche. In your mother tongue, Madam Speaker, I am sure you would say *Rose Blanche*. But we have found the proper Newfoundland way of saying it, and we say Rose Blanche, but to us it is home.

Mr. Epp: What we want to know, Roger, is why it was called that in the first place.

Mr. Simmons: Now there is a good question to which I do not know the answer.

Mrs. Campbell (South West Nova): It is a white rose.

Mr. Simmons: My translator who sits beside me tells me that there is a perfectly good reason for it. Maybe she and the minister of energy ought to get together. I know Rose Blanche the community, not Rose Blanche the bit of contradictory semantics, which is another issue altogether.

In the community of Rose Blanche there were 170 full-time licensed inshore fishermen in 1987. In the winter fishery alone, from January 1 to March 31, 1987, the period when my friend the minister of fisheries says they should be sitting in their armchairs and drawing their UI, those 170 fishermen landed four million pounds of fish. That three-month period is what we call the winter fishery on the southwest coast of Newfoundland.

This year, during the same period, they did not land four million pounds, they landed fewer than 200 pounds. If the Secretary of State for External Affairs can explain how that does not constitute at least near jeopardy, I invite him to do so. I ask the House to think of four million pounds landed in terms of dollars in fishermen's incomes, the bread on the table, paying for the gas and expenses of operating the boat and paying the loan on the boat. Think of that, and then three years later, think of 200 pounds total fish landings for 147 fishermen. That is roughly one pound of fish each. That is devastating. If there is ever a time to change UI to the disadvantage of fishermen, this is certainly not the time to do it.

This brings me to the absolutely delightful revelation that my good friend the Prime Minister made over the weekend after he had had a much needed pep talk with his troops in the hills of Quebec.

• (1610)

Mr. Bouchard (Roberval): Very positive.

Mr. Simmons: I am sure, as the minister says, the pep talk was very positive. What was even more positive was his public report of what happened in that session. I thought it was absolutely marvellous if one focused only on what was said.

Let us read between the lines. We heard the Prime Minister say that he is not a masochist. We have known all along that he is not a masochist. We have known that ever since he was in government, and before that when he was the president of the American branch plant in Labrador City, or the Iron Ore Co. of Canada. He was taking his orders out of Cleveland then instead of Washington. The one thing he has never been is a masochist. A masochist, as we know, is a person who inflicts the pain on himself. The one thing the Prime Minister has never been accused of is hurting himself. He never hurts himself. He is not a masochist. I will tell you what he is.

Mr. Kempling: Be careful.

Mr. Simmons: In the best tradition, I will say to my good friend from Burlington and my good friend from Red Deer, the Prime Minister is a—not to put too fine a point on it—a political terrorist. What is a terrorist? A terrorist, a political hijacker, is someone who takes you where you don't want to go. The Prime Minister has hijacked an entire country. He is taking an entire country where it does not want to go. That, in my language, is a hijacker, a political terrorist in the best or worst tradition of that term.

I defend the Prime Minister. He is not a masochist. He is a hijacker, a political terrorist. He is taking this country where it does not want to go. He is hurting everyone except himself and his few friends. He is hurting the fishermen in my riding. He is hurting the fishermen in the ridings of Atlantic Canada. He is hurting people in the riding of my good friend from Dartmouth. He is

hurting people in Haldimand—Norfolk. Madam Speaker, he is hurting people in your riding.

[*Translation*]

Mr. Fontaine: Madam Speaker, on a point of order.

The Acting Speaker (Mrs. Champagne): The hon. member for Lévis, (Mr. Fontaine), on a point of order.

Mr. Fontaine: Madam Speaker, I think we have reached the point where the debate is no longer on the bill. It is now on invective concerning the personality and qualifications of the Prime Minister. I think that if the opposition has no further arguments against Bill C-21, it should cease and desist and in so doing further the legislative process.

Mr. Simmons: Madam Speaker, I can inform the hon. member for Lévis that on the contrary, I think it is very much to the point in this debate to draw the attention of the House to the motives of the Prime Minister.

[*English*]

It is absolutely important. It is crucial. It is related to the bill. If my friend from Lévis really wants to understand why this piece of garbage called Bill C-21 is here, it is because the Prime Minister is marching to a very different drummer than the fishermen on the south coast of Newfoundland.

It also explains what the government is doing in terms of the closure of rural post offices. It explains what it is doing in terms of the goods and services tax. It explains what it is doing in terms of the so-called aid program for fishermen. It is aimed at the shutting down of rural Canada, whether that rural Canada fishes or farms.

This government has no interest in the geographic extremities of this country. This government has no interest in people who happen to draw average or below average incomes. How else can you explain the statistics? For those who earn $100,000 or more a year, federal income tax and other federal taxes have gone down by $1,600 a year since this Prime Minister took office in 1984. However, for those who earn $35,000 or less—and that covers every fisherman in my riding—federal taxes have gone up by $1,200 a year.

I understand that, for the hon. gentleman from Lévis, it is a tender point when I get close to home on what the real motivation is of the Prime Minister, when I take his own words, and when I come to his defence and say: "No, the Prime Minister is absolutely right. He is not a masochist." Equally, I can say that he is a political terrorist and hijacker who has hijacked the people of the country, taking them where they do not want to go.

Eighty per cent of the people have said in polls: "We do not want a goods and services tax." Yet, it is being rammed down their throats. Why will the government not listen to the people who it is supposed to be serving?

Mr. Kempling: Madam Speaker, I rise on a point of order. The hon. member seems to be speaking to everything but the motion. I wonder if he could speak to the motion.

The Acting Speaker (Mrs. Champagne): The Chair was listening carefully. I think the hon. member was just about to make the junction with the bill that is being discussed today.

Mr. Simmons: Madam Speaker, I say to the hon. member who is not in his seat, yes, I am. If some day, as a man, he wants to talk about it with me, he can, but if he wants to be a mouse and a scum, he can do that too.

Some hon. members: Oh, oh.

Mr. Simmons: I think my comment is parliamentary and correct, too.

I want to come back to what the Minister of Employment said yesterday. The Minister of State for Privatization can shake his head all he wants. If he wants to get into the debate, he can do so. If he does not like what I am saying—

Mr. McDermid: I don't like being called a scum.

Mr. Simmons: Perhaps you should stop being a scum.

The Acting Speaker (Mrs. Champagne): Order. There are two minutes left in the hon. member's speech.

Mr. Simmons: Madam Speaker, if the minister insists on being despicable, I shall attempt to refrain from responding in kind.

I want to talk about what another minister said. The Minister of Employment and Immigration who sponsors this bill made a great noise yesterday. She talked about how she could not respond to the Message from the Senate because, in her words, it would infringe on the privilege of the House of Commons to implement money bills.

I do not argue with her that it is, not only the House of Commons' privilege, but responsibility to deal with money bills. Not in isolation, of course. She will be aware that, while the Senate cannot initiate a money bill, it is part of the parliamentary process that finally achieves its passage. I am sure she was not trying to say that the Senate has no role to play in the passage of money bills. I think I understand the spirit of what she said.

What I do not understand is the minister's contradiction in terms two or three minutes later. With much sound and fury, she said loudly and clearly that she could not respond to the recommendations because of the reasons she had just given. Then she proceeded to respond to some of them. I note the contradiction and the grandstanding that she was not going to be compromised. A few minutes later, she was willing to be compromised on at least a couple of points. So, first, I note the contradiction.

More to the point, and to respond to the hon. member from Carleton—Charlotte who spoke a few moments ago, we commend the minister for the small step she has taken. She heard the Senate in part. Now that she has set the precedent and opened the door, it is possible for a minister in the House to hear some of the things the Senate has said on this issue. Her earlier argument about not being able to respond is obviously swept by the side, because she has responded on at least two details. I appeal to the minister now to review her earlier thinking, go back to look at the Senate message and respond more fully so that we can have a better bill that will serve the people.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, I am glad that the member finally got back to the motion that is before the House.

• (1620)

I would like to ask him a couple of questions about the Senate. I will not call it the other place, I will call it the Senate because that it what it is.

The Senate has never written a Throne Speech; that is not its function. It has never put together a budget; that is not its function. It has never had to put forward any national program; that is not its function. It has never initiated any economic program. Regardless of this, the Senate is exercising powers beyond its ability to carry them out.

The member has been in the House of Commons for a number of years and knows very well what has happened in the process here. The Senate has proposed amendments that the House of Commons would reject. Had these changes been put forward at committee, they would have been rejected. Had they been put forward at the report stage of the bill, they would have been rejected by the Speaker. Yet, the member and his colleagues are asking the House to accept in the House of Commons amendments that the House would not accept itself by adopting the amendments put forth by the Senate. Does he think it is a proper for the Senate to circumvent the rules of the House this way?

Mr. Simmons: Madam Speaker, I thank the hon. member for Burlington.

First, in his opening remarks, the hon. member used the phrase "beyond its ability" when talking about the Senate. We should be clear that the Senate has done nothing that is beyond its ability. Let us be fair about that. The framers of the Constitution very clearly provided that the Senate has a role, but that role is limited. It cannot, for example, kill a money bill. It can delay a money bill.

One must ask, if the Senate was given this power, who took it away? Is it the words of the member that takes away the power? Is this some new interpretation of the Senate Act or the House of Commons Act? The question really is this: If the Senate is doing something that is illegal, why is there not a proceeding to challenge that?

I hear the rhetoric and it is great. Perhaps, if I were over there, I would be saying some of the same stuff myself. But it has nothing to do with the reality. The reality is that what the Senate is doing is perfectly within its right. If the Senate is doing something that somebody does not like, that is another issue. But let us not get the two mixed up. It is one thing to have the Senate doing something one finds completely odious from one's point of view, but it is another to characterize it as being beyond its ability or capability under law. That is quite a

different issue. Everything the Senate has done here is absolutely proper.

The Senate has a role and was appointed back in 1867 to protect the regions of the country. That is fine as long as everybody is in bed together and the Senate is doing things that everybody likes.

For example, I have not heard anybody say that the Senator Murray has no right to go around the country talking about the Constitution because he was not elected. Senator Murray has had a fairly powerful role there in his capacity as a senator. It is his capacity in the Senate that allows him to be part of the Queen's Privy Council in Canada. In order to be one of the Queen's ministers, he had to be either in the Senate or in the House, and we know he is not in the House. Senator Murray is going around the country in his capacity as a representative of the government. He happens to be a part of that government by virtue of his membership in the Senate.

If there is suddenly this new burst of interest in purifying the system so that unelected people have no role, I will make a deal. Let us bridle Senator Murray and another unelected person, named John Crow. I have never heard anybody around here say that he ought to be elected. He is out there making decisions that are pulverizing my people in terms of their mortgage rates. He is doing that and he has not been elected. But suddenly there is this great urge to have them all elected.

I am watching with great interest how the government is going to do an about-face a few months from now when it cannot get its way as it is trying to do right now. It will suddenly go out and appoint more Senators to do what it says is illegal for the Senate to do in the first place. It cannot have it both ways.

Mr. Kempling: Madam Speaker, the hon. member did not answer my question. I found the same thing with his House Leader. I asked him the same question and he did not answer it. I will ask the hon. member again.

The Senate has put forth amendments to Bill C-21 that would not have been allowed in the House of Commons had they been put at report stage and that would have been struck down had they been put at committee stage. Does he think that legislation that cannot be amended in this House should be allowed to be amended by the Senate?

Mr. Simmons: Madam Speaker, I promise the member I will give him a specific yes or no answer in a moment.

First, he threw in some other phrasing that tickles my fancy, as we say back home. He said: "—amendments that cannot be put in this House". I correct him. It is not, that "cannot", but that "were not". They were not passed in this House but there was no lack of capability. This House can amend this document in any way it wants. There is nobody in this Chamber who does not believe that. We can amend it in any way we want because we are the Parliament of Canada. Nobody is going to argue against that. So, first, it can be done here.

My second point is with regard to authorities on the Senate. From the time of its inception, and going back to the first Prime Minister of the country, Mr. MacDonald, when he discussed the role of the Senate, one of the most oft-used characterizations of the Senate is a chamber of sober second thought. It is generally understood that sober second thought is one of the assigned functions of the Senate.

I put to you, Madam Speaker, the following conundrum. If the role of the Senate is to second-think some of the things that this House does—and that presumes that it might suggest changes—how can we give them that role if, in the next mouthful, it says it cannot perform that role. Does it not follow that, if it is the chamber of sober second thought, sometimes it will come back and say: "House of Commons, we have looked at the legislation you have sent to us and we are suggesting the following changes"? Surely, nobody is going to argue that that is not within the role and the prerogative of the Senate. That is what the Senate has done here.

The question that the hon. member for Burlington has put to me, as I understand it, very clearly or at least in sum, was do I think that the Senate has the right to recommend amendments to the House of Commons. The answer is, yes, I think so.

Some hon. members: Oh, oh!

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I rise today to participate again in debate on Bill C-21. I would hope that members in the House, when listening to other members in debate, would understand the realm

and the acceptability of certain comments. I will try to keep mine as parliamentary as I can, unlike some other members of the House in previous debate.

I rise today to debate this bill which is once again back before the House of Commons. It is a bill that has effectively gutted the unemployment insurance program. That is a program that, unfortunately, too many of us in far-flung regions of the country have had to depend on from time to time because of failed economic policies and a lack of government policy and programs to redistribute wealth across the country.

• (1630)

The effect of Bill C-21 is to change the unemployment insurance system forever. What the government has done is to remove itself from participating in the fund. The government has said that from this point on it is going to be an employer-employee fund. The Government of Canada has reneged on its responsibility to look after the unemployed worker in this country. It is a responsibility that has been there since the bill was initially passed by the House of Commons.

What does the bill do? Why are we on this side of the House so opposed to it? The bill does a whole number of things. First, the bill extends the qualifying period in most parts of the country. In effect, what it means is that those poor Canadians from places like Cumberland—Colchester in New Brunswick, parts of eastern Ontario, New Brunswick, Prince Edward Island and Antigonish County who do not have a full-time job, or a regular pay cheque coming in, and who are trying to make ends meet for themselves and their families, now will have to try a little harder. The government says: "We don't think you're trying hard enough to find work. We think that you're living off the system. What we are going to do is punish you. We are going to make you find more weeks of work. Not only that, but if you are able to find work in an area of 15 per cent to 20 per cent unemployment, then we will give you a smaller benefit period. We are going to shorten up the benefit period".

In effect, what the government is doing with this bill is ensuring that those people in this country who have not been able to share the wealth will be the very ones who will be nailed by this government, and not only for retraining, which is quite a departure for this government. The government is now saying under this legislation that those who are unemployed should bear the burden of training. Yet it is taking money out of the unemployment insurance fund which is meant as an income support program for those individuals who find hard times in various parts of this country. It is going to increase the qualifying period and decrease the benefit period as well as the benefits. That is what this bill does. It puts the onus strictly on those in our society who are at least able—for the time being—to look after themselves economically.

The bill does a little more than that. When the bill was first introduced in this House last year, in June I believe it was, it was universally condemned by social activists across this country, by provincial premiers and by individuals who work with the poor, the homeless and the downtrodden. The government did not listen.

At one point I asked the minister responsible a question in the House. I indicated that this bill was simply going to force people off UI and on to municipal welfare rolls. The minister in turn got up and indicated that the government was very concerned about helping people on welfare, and that it was allocating more resources to the Canada Assistance Program for welfare recipients.

I do not think that she realized exactly the feeling that she was conveying. The feeling of this government is that if you cannot look after yourself, do not look toward the government to give you that hand. That is a fundamental departure from the way that this country has operated.

This is a wealthy country. We have always believed that we had the resources, the dollars, the heart and the spirit to redistribute our wealth. We have always believed that nobody in this country should go hungry, that if there are hard times they should be borne by all. That was the principle of the UIC act. It was an income support program.

The bill did not come back from the Senate as quickly as the government would have wanted. The Senate was quite clearly doing its job. The Senate is the other part of Parliament. This is the House of Commons. As everybody should know here, bills get introduced, go through the House and then they go to the other place for sober second thought, for thorough debate.

Anybody who wishes to misinterpret or mislead Canadians into believing that the Senate is only there for rubber stamping, absolutely denies the history of the Parliament of Canada. In many occasions in the past the Senate, when it had a bill, would do what it was constitutionally obliged to do. It was to take it through all stages in the Senate, which includes committee. In many cases when a government has not been responsive to the needs and wishes of Canadians, the Senate, unelected as it is, has tried to do its part for the democratic process.

The democratic process means that when legislation gets introduced in Parliament, by the time it is finished it has gone through all readings in both Chambers, that it has the benefit not just of debate and committee work in this place, but the benefit of committee work in the other place. I challenge anybody in this House to stand up and tell me with a clear conscience, knowing that they would be misleading, that the Senate does no work of any value.

The Senate of Canada has produced some of the most advanced committee work that have helped this place, helped our policy areas and the government in formulating social and economic policies than this place has done.

When the bill went over to the Senate the government could not get its way. This government is hell-bent on pushing everything through. If you do not agree with the government, it tries to shut you down. If you really want to get to the crux of the matter, the government knew that it did not have public opinion on its side on Bill C-21. It knew that what it was doing was wrong. It knew that what it was doing was unpopular. It knew that what it was doing was in effect kicking in the butt those Canadians who are least able to defend themselves.

The government wanted the Senate, unelected as it is, to be like tame dogs who were going to be scared off from doing their job by some of the rhetoric flowing from the front benches opposite. The government wanted the Senate to deal with it expeditiously. Members of the government said: "Don't listen to Canadians because we on this side have stopped listening. We have plugged our ears and we just go forward with legislation. You nasty old Senators who are trying to do your job, unelected as you are, in ensuring that Canadians are heard ensure that legislation goes through both Houses and that the end result is that the legislation that is passed into law is legislation of the very best kind".

Thus it goes over to the Senate of Canada. The Senate says: "Hey, there is something wrong here. The government is being negligent in its responsibility to this program. The government in effect is dismantling a major piece of social policy legislation in this country. We think we have to study it. If the Tory government has an agenda whereby it is going to try to depopulate those regions of Canada where we have some difficulty with employment and, yes, unfortunately, where we have to look for a handout now and then, if that is what the idea is, then the Senate of Canada feels it is in the best interest of those regions that this bill get a full and thorough airing through the committee process and through debate".

I think that the Senate is really there to represent the interests of the regions, to ensure that they are not trampled on by an out of control government which is just concerned about pleasing its big business buddies down on Bay Street, just concerned about serving the centre. I am sure at some point there must have been a debate in the Tory caucus, or at least in planning and priorities, to figure out how in the name of God you can get rid of all these welfare recipients down east and what to do with these northerners who keep looking for more money. The government says: "My goodness, don't they know that this country has to be run like a business?" At least the Senate knows that this country cannot always be run like a business. There are costs to keeping a country together. You must treat a country and run a country like a nation.

If you run a country like a nation, instead of like a Bay Street business all the time, then you ensure that there are social programs in place for those who are most in need.

The Senators saw this coming. They said: "Okay, we do not want to frustrate the will of the elected place, the House of Commons, but what we want to do is try to make these guys snap to their senses. Do they not have any idea what they are doing to the poor and the unemployed?"

Madam Speaker, I represent the riding of Dartmouth in Nova Scotia, and I am very lucky to represent that riding. We have some economic difficulties, but by and large it is a riding which has benefited from being the centre of Atlantic Canada. What annoys me the most about the way this government operates and the way it treats people who are not from the royal south of

Ontario with $100,000 a year incomes so they can support this government with donations and ads during election campaigns and things like that, is that I come from a place called Cape Breton—

• (1640)

Mr. Kempling: Silly ass.

Mr. MacDonald (Dartmouth): Silly what? I think there was a comment from the hon. member opposite. If he wants to say it a little louder, we can get it into *Hansard*.

I come from a place called Cape Breton Island, New Waterford to be exact. It is a coal mining community. We have seen more dinner times than we have seen dinners down there. But we are hard workers. Probably I grew up in poverty. I did not know it because everybody else who lived on the same street, the same neighbourhood and the whole town was poor. At times we had to rely on the generosity and the heart of the federal government to get us through hard times. At times even my father had to go on unemployment insurance. If UI ran out, maybe he had to go on relief from the coal company. But those programs were there to help those communities and those individuals who wanted to contribute.

The whole intent of this legislation is to ensure that we are businesslike. Maybe, just perhaps, it is to ensure that there is a resettlement, that we can get those guys down east—who these people opposite think are perpetually on unemployment insurance and are poor because we want to be poor, which is nonsense and gutterwash—to finally come to their senses, if the government cuts off all the strings of support. I think somebody in this Chamber said a little earlier that they will either move or starve.

We have seen this over and over again by this government. It has no idea where it is going, other than to the centre. It has no other agenda than to cut those bloodsuckers off, those people who are perpetually and habitually draining tax dollars through social programs.

This bill was debated at one point in the fall, and I refer to an article from *The Globe and Mail* written by Susan Delacourt on October 10. I just want to give members opposite an idea of what they are doing to rural Canada. I want to give them an idea of what they are doing to areas that have perpetually suffered from high levels of unemployment.

The headline states: "New jobs policy angers Newfoundland. Shift to training viewed as disguised resettlement program". We can all get up here and spout off rhetoric, and we are all equally good on all sides of this House. But there is now a feeling in Atlantic Canada that we are no longer wanted by this government to stay in Atlantic Canada, and that just perhaps we are no longer wanted by this government as part of Canada. We have all too often had to go down the road to Toronto. Years before my parent's people had to go down the road to Boston. Only a few years ago we had to go down the road to Alberta. Now what this government is doing with Bill C-21 is trying to ensure that we go down the road forever.

As the former Leader of the Opposition, the Leader of the Liberal Party, Mr. Turner said in a speech he gave a number of months back: "This government seems hell-bent on turning Atlantic Canada into one gigantic national park, devoid of industry, devoid of hope and devoid of people".

The Senate got hold of this bill. It said: "This is a fundamental shift away from Canadian social policy. Maybe we can shake this government awake and tell it what the impact is". Maybe the Senate can tell the government what the impact is in Nova Scotia where the changes to the UI act, which the Minister of Employment so smugly got up to defend in this House, are going to cost Nova Scotians in real dollar terms about $50 million. That is a lot of money in a province of about 870,000 people, coupled with the $80 million cut in the second last budget to EPF funding that goes to hospitals and post-secondary education.

The government says in this bill: "We are doing this because we want to put more emphasis on training". It cannot have it both ways. You cannot tell us that your cutting is not gutting a bill and hurting us economically in places like Atlantic Canada and at the same time say: "We are concerned about training. That is why we have done it". If you are so concerned about education, programs and training, then why in the name of goodness have you cut $80 million from the Established Programs Financing over the next five years in Nova Scotia alone?

That is money that goes to training to make sure that we have a well educated, highly skilled workforce.

I am just trying to give you, Madam Speaker, an idea of the full impact of this legislation, coupled with the other regressive measures. We found out two weeks ago that there was $50 million less transferred in equalization program payments to Nova Scotia.

We found out in the last 12 months that there was $1.221 billion in economic regional development agreements in Atlantic Canada that have been allowed to expire. Yet the minister opposite from Nova Scotia, from Central Nova, the minister responsible for those agreements, only put up $274 million. By anybody's calculation that is almost a $1 billion shortfall.

The effect of this bill, if members opposite do not come to their senses and sit down and talk to the Senate about refining the bill further, is not just going to be that a few people will have to move to Toronto. The effect of the bill is real hardship.

I do not know if members opposite who come from wealthier ridings have ever had to deal with somebody whose benefits have run out and who could not get employment. I dealt with a lot of them when I used to work for my colleague from Cape Breton—East Richmond many years ago. He comes from one of the higher unemployment areas in the country. I will tell you that the gentleman from Cape Breton—East Richmond has worked hard on behalf of those constituents to try to bring this government to its senses and to show it the real human tragedy in suffering and deprivation that is going to be caused by this bill.

Has anybody opposite ever had to sit down with a young gentleman of 22 who has two children and is living in a barn in October when the winds howl down off the east coast of Atlantic Canada because there is no work? You tell me that that man enjoys that. You tell me that he enjoys going to bed at night knowing that he cannot look after his spouse and his children. That is the impression I get from listening to speeches by members opposite.

When this bill came into the House I was annoyed. I was damn mad when I listened to some members opposite talk about the abuse of the UI system. Sure, there is abuse. There is abuse in every program, but it is a very small percentage of abuse. To correct the abuse, as they call it, they have nailed everybody.

If they have ever had to sit down at 4.30 on a Friday afternoon when every municipal and provincial government office that can help is closed and look in the eye a guy with two small boys, four and two, who is living in a barn because the system has failed him, I do not think they could stand in their places opposite and say that those people who are on unemployment insurance do not need it, that if they worked a little harder they would find a job. The reality of today's economy in those areas is otherwise.

This government is completely abandoning the principle of trying to help those individuals who need the help the most.

The amendments that have been proposed by the Senate are truly amendments not meant to frustrate the will of Parliament. They are amendments meant to put some heart and some sense back into the heads and bodies of the members opposite in the government, to try to show them what the full impact of these measures is.

What in the name of goodness are we going to do when people can no longer get the weeks work that they need to go on unemployment insurance, when they cannot get the extra qualifying weeks? How in the name of goodness are those municipalities that are now going to have to pay welfare to them going to find the money?

This government's cut-backs have cut us to the bone in Atlantic Canada. They have pummelled those that need this government's help the most.

I want to talk very quickly about the Senate. The Senate has been trying to do its job. It has been trying to save the hides of the members opposite here who are now down to 15 per cent in public opinion because of their misguided policies. Perhaps if they listened to the Senate, which has every constitutional right to do what it is doing on this particular bill, they would not be at 15 per cent in the polls. Perhaps they could sleep a little bit sounder at night. Perhaps they could come to their senses and withdraw legislation like this and put heart and caring back into government.

Mr. Benoît Tremblay (Rosemont): Can the member tell me what the employment situation was in 1984 and what it is now in Atlantic Canada?

• (1650)

Mr. MacDonald (Dartmouth): Madam Speaker, in 1984 were just recovering from a recession. Because of Liberal policies people were not lined up at food banks like they are now in Atlantic Canada.

In 1984, because of Liberal policies, which were a safety net in case of recession so that nobody in this country should go hungry or lose their home, they worked. He asks me now what the situation is. The situation is bleak in places like Cape Breton Island. The situation is absolutely desperate in places like Cumberland—Colchester. The situation is absolutely devastating in our fisheries communities across Atlantic Canada.

I hope the hon. member was just trying to fill time when he asked the question because I am going to fill in a little bit of time for him. He asked what the situation now is dealing with unemployment in Atlantic Canada.

If you want to look at the real tragedy in Atlantic Canada, look at the measure that was put forward yesterday by a whole bevy of ministers. I thought they were delivering the federal treasury, there were so many down there for the announcement. My goodness, we had to wait weeks for the hon. Minister for International Trade to come back to get his value photo opportunity.

Yesterday what we were waiting for was a rescue package, an aid package for the fisheries which has been in a state of virtual collapse in Atlantic Canada. It did not happen yesterday. If the hon. member has been in this House since the election of 1988, he knows that members on this side of the House have been consistently standing in their places and doing everything but begging this government to recognize the crisis that was emerging in the Atlantic fishery.

Do you want to know what the situation is now with a Tory government in power? We have the town of Canso ready to go down on its knees after being shut down after 400 years of fishing tradition. We have Trepassey, Gaultois, Lockeport and a whole number of other small communities that have lost their single industry—fisheries. It is a resource-based industry that when managed properly can allow people to eke out a modest living.

This government, which is so uncaring about any industry in Atlantic Canada, did not listen to the members over here. As a result, we are seeing a social tragedy unfold. We are seeing a resettlement program.

I believe it was the hon. member for Gander—Grand Falls who got up in the House one day and accused this government of embarking upon a resettlement program. I mentioned it before. It was in an October article of *The Globe and Mail*.

I must admit that even as a partisan in this place I had my fingers crossed yesterday, hoping that the new Minister of Fisheries who comes from Atlantic Canada would have at least found a voice to stand up and show that he understands the problem in employment in the fisheries. I perhaps got the most arrogant response of all. It was the Atlantic Fisheries Adjustment Program, not an aid program.

What we heard about the fisheries yesterday is that the government has basically accepted that the stocks are never going to recover, that we have to downsize the fishery, that we have to give them the golden handshake in those communities. The government did not come in and talk about measures, dollars and programs to keep those communities alive until the stocks rebounded. It did not talk about that. It talked about the golden handshake. They said: "We are going to retire you early. We are going to retrain you for jobs that don't exist, but they will be in Toronto".

Do you want to know what has happened in Atlantic Canada under this government? We have seen the wholesale dismantling of our economy in our resource-based industries. We have seen an abandonment by the Government of Canada of the aspirations for a rightful place in this Confederation by each and every Atlantic Canadian. That is what we got from our government.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I commend the member for Dartmouth for a very fine speech.

I would like to ask him in relation to his very last statement before the questions and comments began about the amendment which we are addressing that the government should be withdrawing Bill C-21. Does he think that that would be an appropriate thing to do?

Mr. MacDonald (Dartmouth): Madam Speaker, I thank the hon. member for his kind remarks.

The only way that we are going to get out of this regressive measure is to have the bill withdrawn. I think that the Senate has done everything in its power to try to bring these people to their senses.

I do not think that the government is going to withdraw it. I think that members of the government all have the strings through their noses and that they are all being tugged by the PM's office which tells them when to nod yes and when to nod no. If you are asking me if I think that it is going to be withdrawn, if I thought that there was anything that I could do to get this government to come to its senses and withdraw this bill, I would say yes. But at this particular point it is in a process between the Senate and the House of Commons.

This government is so arrogant that it refuses to recognize proper procedure constitutionally. Its members continue to stand in this House and tell the Canadian public and members in this Chamber that the Senate has no right to do what it is doing.

If you have been sitting in this place as long as some members opposite have, you should have read a little bit of history. I know what the Senate is legally and constitutionally empowered to do. If anybody on the other side wants to take issue with the way that the Senate has proceeded with this bill, then get their government to challenge the Senate. You know that you do not have a leg to stand on. You know that what the Senate of Canada is doing right now, even though it is unelected—and I want to see reform in that upper chamber; I want to see a chamber that is elected—is ensuring that the will of the majority, the tyranny of the majority does not rule over the will of the people of this country. Thank God for that in this case. That is why the Senate of Canada is enjoying public support in what it is doing in trying to stop this government's regressive and almost totalitarian measures against the people of Canada.

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Madam Speaker, I listened to the hon. member's speech with great interest. He is quite articulate and in his unique bombastic style has laid out his concerns regarding the bill we are discussing.

One of the things that concerns me however is that in his whole speech he was talking about people on unemployment insurance and on welfare. He said nothing about job creation, nothing about training people and retraining people for the needs of today, nothing about this government putting in more money, development money, to create employment and diversification of the economy in the east through ACOA, which I believe has been universally accepted. He has not talked in any way, shape or form of new methods of improving the situation in the east.

I have been around here both in government and in opposition. The Liberals like to talk about how many years they were in power, how wonderful things were and let us go back to the old ways. They say that we have to go back to the old ways, the way that the unemployment insurance system was because it was perfect.

Mr. Dingwall: Question.

Mr. McDermid: This is questions and comments, as I recall the rules. I am making a comment now.

I have listened to them always wanting to go back to the old ways. They say that the old ways were better. Well, they are not better, and times are changing. With the change we have to change in this place and we have to change some of the things that are going on in this country.

One of the things we want to do in eastern Canada is to develop employment for people. That is very important. That is why ACOA was set up. That is why we have training and retraining programs to bring people into the mainstream.

People in eastern Canada are no different from people anywhere else in Canada. They do not want to be on unemployment insurance and they do not want to be on welfare. They want a job. That is what this government is dedicated to do.

Why does the hon. member not stand up and give some positive ideas of how the economy can be diversified in eastern Canada rather than standing up here and whining and moaning about unemployment insurance and welfare, like he does day in and day out?

The Acting Speaker (Mrs. Champagne): The period for questions and comments has now expired.

Resuming debate with the hon. member for Trinity—Spadina.

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, it is very important to me to have this opportunity to comment on Bill C-21 which is now back before us in the House of Commons. I say that because there is a rumour going about the country that everything is okey-dokey in

Toronto, that we do not have poor people in Toronto, that we do not have unemployed or hungry people in Toronto. As I say, that is a rumour. You can see hungry people at the food lines. You will not see many of the unemployed people because they cannot pay the Toronto rents. They are forced out of sight, out of Toronto. The 10,000 to 20,000 homeless people still lurking around Toronto are not telephoned by Statistics Canada to find out whether they have a job or not. They do not have a job. They do not have a telephone. They do not have a home to put a telephone in.

• (1700)

This piece of legislation is quite untimely. No doubt it is a good thing to create jobs but not to take money from people who have paid their unemployment insurance premiums on the excuse of training them for new jobs.

We know what the neo-Conservative agenda is, and we know with unemployment insurance the primary goal is to weaken the bargaining power of workers, to cause more workers to lose their rights to unemployment benefits, to cause workers to be uneasy about standing up for their rights on the job because the rules have changed for dismissing a person and for taking away a person's benefits after he or she has been dismissed.

What this government is looking for and obviously what it has promised the Business Council on National Issues is a more docile work force where people will not stand up and defend themselves as vigorously as they have done over the past decades. By taking the money from the pockets of the unemployed to do the training the government is depriving the unemployed. Many unemployed will not get the training and there is no guarantee given by the government that they will. In the short term the government is depriving the unemployed of the benefit from premiums they paid. It is also putting those who do take training in the position of having taken it from their brothers and sisters by the government's order. This will mean a meaner and less generous program.

The current President of the United States said he wanted a gentler, kinder country. He obviously thinks that is Canada. That is why he is taking it over, but we will not be a gentler, kinder country once we have been homogenized into the American pattern.

The primary fault of this system is the removal of the government from any responsibility, the responsibility it has had for nearly half a century, for not only administering the fund but also for providing input as a guarantee of both regional fairness and carryover in times of slump. The government until now has had a material interest in seeing that unemployment does not become serious.

Now the government, if this bill is passed, will go scot-free and will be able to let unemployment rise without a bill to the government for payment.

This Tory government has shown its intention by holding the present unemployed hostage to the VERs. Instead of the annual adjustment of benefits and the eligibility time to the current regional conditions, the government has tied these benefits to the bill in which it will take this $1.3 billion out of the fund created primarily by workers and employers.

The government will not review the VERs. It is now May and it still refuses to review the VERs. It will not review parental benefits in spite of a Supreme Court decision ordering it to provide them. It is showing itself in contempt of the law of the land, which it brags about. The government says we have a government according to law, only according to the laws which suit the government. As I say, they are holding the training funds hostage. There are no training funds yet because the government has cut back on most of the training programs that we have had during the 1980s. They are holding hostage the entire principle of training.

Yesterday the minister spoke at length about the importance of training. Nobody disagrees that training is important. Nobody disagrees that for our economy to sustain itself there must be training and retraining. What she did not mention yesterday was that the six labour-business task forces that she set up to make recommendations about the new training program all said: "Don't take unemployment insurance money to do it".

She brags about having set up these task forces. She brags about the training programs, but she ignored the unanimous recommendation of her own task forces on that point.

As I have said, there is a rumour about the country that everything is just lovely in Toronto. In fact in the last couple of years Toronto has lost about 77 plants, either closed or on notice of closing. This puts about 16,000 workers in jeopardy, either out of work or about to be out of work. Simply talking about the number of jobs does not answer the question of how these people can pay the cost of living in Toronto, how they can pay Toronto rents or house prices. A job at McDonald's doesn't do that in Toronto.

It is going to be the older workers particularly in Toronto who will be hit. Many of these plants have a great many long service employees or had until they were closed a great many long service employees. I know from my own experience. When the factory I worked in was closed down after about a half-century of operation, men and women 50 years or older had a very hard time finding other work, particularly if they had a few little injuries on the job. A tow motor operator with a bad back is not much sought after by the employers, especially if he is looking for something other than tow motor work because there are not that many tow motor jobs.

Immigrants and people with very little formal education will be hard hit. The policies of the present and past governments of allowing the people to drift out of the homes they want to live in on the east coast into places like Toronto have brought many people with limited schooling; not all of them but many of them. I worked with them in the factory for 18 years. Their schooling was limited; good as far as it went, but it does not take them beyond grade 7 or grade 8 in most cases. Many immigrants and people with little education will be very hard hit. They will not find it easy to get jobs to pay their mortgages. Of course, once they have had to move out of Toronto, the government will again say that the Toronto statistics look good.

There is a great deal of good work being done by the Metro Toronto Labour Education Centre. On this point I do want to commend the minister for her continued funding of that work. They are doing the kind of work that the minister and the government and members on this side of the House agree should be done. They get in touch with workers. They encourage workers to get in touch with them when they have been laid off or are about to be laid off. They can give them assistance in finding whatever benefits are due to them as well as opportunities for training and retraining, training in English or French as a second language and retraining in their own industry such as the clothing industry or for other industries that are emerging or increasing and in which these people might find jobs.

The Metro Toronto Labour Education Centre has found that among the workers who come to it for help the average length of unemployment after a plant closing is 10 months. Out of all the new jobs we are told about the average is 10 months to find a new job after a lay-off. The reduced benefits in Bill C-21 will mean that the maximum a worker can get will be 35 weeks or just over 8 months and that is in Toronto. Madam Speaker, 6 weeks of holidays without pay is not what these workers are looking for. When you live on unemployment insurance you are not saving very much money. Many of these workers are going to be over the 10-month mark, and they and their families will suffer a good deal. How do they pay a mortgage with nothing coming in?

• (1710)

As I said, in Toronto the housing prices and mortgage prices are seriously overheated. We also have in Toronto a significant number of the visible minority population. This government has expressed its concern, and rightly so. Other people are expressing concern about rising racial tensions in our country. We have the evidence of that in Toronto, as elsewhere. This is going to be exacerbated by the government's action in this bill. The increased penalties for those who quit their jobs could be really devastating for people who suffer from subtle racism.

In other words, if a person of a visible minority or for that matter a woman, let alone a woman of a visible minority, is being harassed on the job because of race or gender—and it happens; I have seen it in the factory and I am sure many others in this House have seen it in different places of work—it is going to be very hard to know whether he or she should stand up for themselves and risk losing the job under these new harsher penalties or whether they should button their lips and accept the racist or sexist harassment just so that they know that they will have a pay cheque next week and the week after.

This bill will make their situations harder. It will make it harder for them to stand up against the kind of racial discrimination or gender discrimination that all sides of this Parliament are opposed to.

This bill will also have the effect of forcing workers into substandard jobs, if they can get them at all. The Labour Education Centre has reported that those who re-entered the workforce in Toronto after a plant closure got a job that averaged $3 per hour less than the one they left. They were the lucky ones who got another job, but they now have to make do and pay that mortgage with $3 an hour less. Just to say there are jobs there does not tell people whether or not they can live or whether or not they can keep a roof over their heads in the city of Toronto.

It is possible that the government does not pay much attention to the findings of the Labour Education Centre or to the Downtown Churchworkers' Association which were refused the right to speak to the committee last year when they came to Toronto. But the government usually professes to pay some attention to the Economic Council of Canada. In its recent report *Good Jobs: Bad Jobs* the council reports that for Canada as a whole 54 per cent of those who changed jobs after the age of 55 were still unemployed six months later. More than half the older workers 55 years of age or older who changed jobs were still unemployed six months later. That is, if they had to leave a job it was six months or more before they found another. At that age, that is very threatening. Some of us here know what it is like to be in our late fifties and sixties or even seventies.

It also reported that 40 per cent of the workers of all ages who were laid of suffered a wage loss. We are talking in many cases about workers with years of service, experienced workers, laid off through no fault of their own but through changing business conditions. Two out of five of them suffered a wage loss. Many of these people are living just on the edge of making it on Toronto rents, transporation prices, and general Toronto costs. The Economic Council of Canada also reports that the gap in the unemployment rate between those with less than nine years of schooling and the average has widened significantly over the past decade.

Fortunately, schooling is increasing and the average is now more than nine years. That is good, but the wage gap for those who did not make it past nine years of schooling is increasing and they have to suffer under the same living costs in Toronto as those with higher education who are getting the jobs with the rising incomes that are increasing the gap between them and the rest.

My point is that it will be the older workers, the less educated workers, and the workers who have been laid off following the many plant closures related to free trade who will be suffering more as a result of Bill C-21. A few of them may get into the training programs we have been told about. As I said, the minister does not guarantee that any of them will. Certainly the minister does not try to tell us that all or most of them will have that opportunity.

The effect of this bill is to take money from those who generally can least afford it, in order to train people to serve those who in many cases are paying no or almost no taxes. This government has a powerful track record over the last five or six years of reducing the tax on those who have the most ability to pay and increasing the tax on those who have the least ability to pay.

This bill is another tax on those who have the least ability to pay. Yes, some of them may be trained, but the people who will employ them will in many cases be those whom this government is excusing from paying the cost of that training. Instead it is forcing their relatively poorer brothers and sisters who continue in the work force or who were in the work force paying unemployment insurance benefits to pay that cost. It will force the poor to subsidize the poorer, while the rich will pay less and less, especially if the goods and services tax is imposed.

These 80,000 or 90,000 companies that pay no tax will be able to employ workers who are trained at the cost of others. They will not have to pay the cost of training. It is a very unjust law set within a pattern of unjust laws. There are high taxes on working people. There are high interest rates that put mortgages beyond the reach of many working people. Now we have an unemployment insurance system that will take from the poor to subsidize the training of a few workers to the benefit of the rich. It is a shameful law.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I would like to commend the member for Trinity—Spadina for providing us with information that unfortunately many of us did not know, particularly in relation to the fact that in many respects Toronto is not the boom town it is made out to be. That fact alone may go a long way toward shooting down the government's

argument for high interest rates in order to keep inflation down, even as it applies to Toronto.

I was interested in the hon. member's comments about discrimination that some immigrant, minority or visible minority groups may be facing. Will he expand on that to give us a better idea of the problems these people face in relation to their employment and continued employment.

• (1720)

Mr. Heap: Madam Speaker, I thank the hon. member for his question. I will not go into it in great detail but I will point out for example that in Trinity—Spadina many thousands of the people are immigrants from Hong Kong, the People's Republic of China, or the several countries of southeast Asia. These are mostly people who come with little knowledge of English or French. Their employment is often limited by their opportunities within the community of their own languages.

In past years it has certainly been found that some of these people were working at below minimum wage and were being deprived of benefits such as unemployment insurance by unscrupulous employers. Many of them are working in the garment industry which has suffered greatly from this government's action in the trade deal with the United States. If they find their place of employment closed they will have a harder than average time finding work somewhere else because in many cases, particularly among the women, they have not had an opportunity to learn English.

The policy of this government and of the previous government was to provide some English language training for those who were destined for the workforce. That means they excluded people whom they regarded as mere housewives. They could just stay home. They did not need English. That is by and large the policy, especially as the government is cutting back on English and French as second language programs.

People such as that have been held back by their working conditions because not all those housewives had the luxury of staying home every day, if that is what they considered a luxury. Many of them, nevertheless, had to get out to work to pay the rent and to make ends meet. They did not have the opportunity to learn one of the official languages, to learn what is the minimum wage amount, to learn other basic laws of our country for the protection of workers so that they could defend themselves and their rights on the job. Those people will suffer considerably.

There are other language minorities as well. There are people who speak a dialect of the Caribbean; there are people from the Azores and from the mainland of Portugal; there are others from various non-English-speaking countries, all of whom to some degree suffer the same difficulty as these East Asian immigrants. They will bear an extra cost under this Bill C-21 if it becomes law.

* * *

[*Translation*]

MESSAGE FROM THE SENATE

The Acting Speaker (Mrs. Champagne): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill S-10, an Act respecting the Canadian Institute of Chartered Accountants, to which the concurrence of this House is desired.

* * *

[*English*]

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND—CONSIDERATION OF SENATE AMENDMENTS

The House resumed consideration of amendments made by the Senate to Bill C-21, an act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act; and on the amendment of Mrs. McDougall (p. 11064); and the amendment of Mr. Fisher (p. 11109).

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I wonder if I could at this time get the agreement of the House to a motion which has been

discussed among House Leaders and for which I think there is unanimous agreement. The motion is as follows:

> That the House continue to sit past the ordinary hour of daily adjournment until there are no further speakers in debate on the motion in relation to the amendments made by the Senate to Bill C-21, An Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act, at which time the putting of the question on the amendment and on the main motion shall be deemed to be deferred until 3.00 o'clock p.m., Wednesday, May 9, 1990, and the Speaker shall proceed with the adjournment motion under Standing 38 and adjourn the House until tomorrow at 2.00 o'clock p.m.

The Acting Speaker (Mrs. Champagne): The House has heard the motion as moved by the hon. Government House Leader. Is there unanimous consent for such a motion.

Some hon. members: Agreed.

Mr. Andre: Madam Speaker, I will be very brief. I just want to repeat some elementary points, not respecting the substance of Bill C-21 which has been debated for many months in this House and in committee and in the other place, but rather the propriety of the actions of the Senate respecting this legislation.

We have had the benefit of the Chair's ruling that was requested by myself in respect of the actions of the Senate. As the Speaker very clearly pointed out in his ruling, that while he lacked, as we understood, the constitutional authority to intervene with the other House, just as the Speaker of the other House lacks the authority to intervene here, there was no question that what the Senate is proposing tramples substantially on the rights and privileges of this House.

First, the financial initiative of the Crown is infringed when, in the Senate's proposed changes in Bill C-21, major costly amendments are proposed without first securing a Royal Recommendation. It seems clear to any fair-minded person who looks at the legislation that the Royal Recommendation is exceeded vastly by the proposed amendments of the Senate.

Second, there is an affront by the Senate to this House when Senators in the majority ignore and defy the budget and its valence of Ways and Means. They have suggested in Bill C-21 that they can make changes to the unemployment insurance system which take an additional $1.75 billion out of the revenue this year and upset the budget proposed by this House to that extent. This is not just a minor adjustment, this is a $2 billion hole in the budget projections from April 1989, a budget from last year.

Third, as a result of the two basic constitutional shortfalls I have cited, the Senate puts itself in violation of the principles in Sections 53 and 54 of our Constitution Act. It might be helpful just to remind this House what those sections say because this is our constitution. They state that bills for appropriating any part of the public revenue or for imposing any tax impost shall originate in the House of Commons.

That right becomes meaningless if the other place can distort and change to an extent as to make the origin unrecognizable. What good is it to have this authority in the constitution if the other place assumes to itself the authority to distort and warp what might have been initiated in this House.

Section 54 states that it shall not be lawful for the House of Commons to adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue or at any tax impost to any purpose that has not been first recommended to the House by a message of the Governor General, the session in which such vote, resolution, address or bill is proposed. That is the so-called Royal Recommendation.

If it is unlawful for this House to depart from the Royal Recommendation, how can one suggest that the other place can do so? How can we possibly accept amendments from the other House which we cannot accept if they were proposed in this House. What constitutional authority would make it appropriate for us to accept amendments from the other place which we could not accept if they originated in this place? That surely is not a procedure that anyone who respects this institution could voluntarily agree to.

Finally, for these reasons, the motion of the government makes it very clear that this House will not turn its back on the law and the constitution and our own long-established procedures here. We say in the message that we will not accept Senate proposals which cost money over which only this elected House has the power to propose.

The other place claims its authority from Section 17 of the British North America Act, or the Constitution of Canada Act, which says, "There shall be a Parliament

consisting of the Queen, the Senate and the House of Commons."

• (1730)

The Chair affirmed in the ruling of April 26, 1990, that the strength of our parliamentary system lies in all three constituent parts respecting their constitutional roles. Section 17 could be interpreted by the Governor General to mean that he has the right to amend legislation, to alter it, to change it, to kill it, or veto it, and those who support the Senate's right to do that, must also support the Governor General's right to do that.

What kind of a democratic system would that be? Obviously an absurd democratic system that has never, ever in this country, until 1984, been a part of the practice.

I would like to refer the House to a paragraph from a book, *The Modern Senate of Canada*, published in 1965. That is the latest reference we have to the modern Senate. This is pre-MacEachen, obviously. It is by Mr. F.A. Kunz. After a long discussion about the relative roles of the House and the Senate, he states:

> On the contrary, the Senate has acted in full understanding of the meaning and implications of responsible government and accepted as binding upon itself the proposition that it should not unduly disturb what has come to be called "the balance of ways and means"; or, as Hopkins says, "that it would be inadmissible to tamper with the overall financial program submitted by the Government in its budgetary proposals in such a way as to effect a material change in the budgetary surplus or deficit envisaged therein".

Surely the Senate's proposal of a $2 billion increase in the deficit is, by anybody's definition, tampering with the balance of ways and means. We have a budget presented in this House. Immediately upon presenting the budget, a motion of confidence is put to the House. It is debated for six days, and there are usually a couple of amendments from the opposition. This House says in finality that, yes, this House has confidence in the budgetary measures of the government.

On the strength of that motion, taxes are collected immediately. Plans are made by industry, by the private sector, by the economy of this country. This is possible because of all these practices, such as provisions 53 and 54 of the Constitution. It has been the practice for more than a century in this country and a few centuries in Britain, upon which our system is based, that the unelected chamber does not tamper with the balance of ways and means. Until 1984, that was the way this country operated.

In 1984, some Trudeauites were appointed to the Senate and now, suddenly, we are having a debate which is more fitting for Victorian England than modern Canada. It is incredible in this day and age, in 1990, that we are seriously discussing whether in fact an elected legislature should have precedence over a non-elected body. It is incredible to find an outstanding lawyer from Kingston, such as the member for Kingston and the Islands, stand there, without blushing, and suggest that it is legitimate for this non-elected, appointed body to trample on the rights of this House.

I would like to acquaint members of the House with Standing Order 80(1), which states:

> 80. (1) All aids and supplies granted to the Sovereign by the Parliament of Canada are the sole gift of the House of Commons, and all bills for granting such aids and supplies ought to begin with the House, as it is the undoubted right of the House to direct, limit, and appoint in all such bills, the ends, purposes, considerations, conditions, limitations and qualifications of such grants, which are not alterable by the Senate.

Were we to take the suggestions of the Liberals or the New Democratic Party to accept the Senate's amendments or ask them to go further, we would in essence be going against the Standing Orders of this House.

That Standing Order, by the way, has been there since 1867. It is based on a statement by the British House of Commons in 1671. We have over 300 years of tradition here that says this House and only this House has the right to decide the details on all grants and aids to her Sovereign. The language there is a bit archaic, the argument is a bit archaic, but it is astounding that we should, in all seriousness, be having this debate here.

I suspect that a lot of this is primarily fluff from those people who say that they believe that the Senate is doing good work, that the Senate knows what the people want, the House of Commons does not. But if you read what they say in private or to the media, you get some interesting quotes. Let me quote a few: Senator MacEachen, *Question Period*, 1985, speaking in respect to a borrowing bill that the Senate was then holding up stated: "I think if we did amend the bill in any serious

way, or if we defeated it, I think that would be quite arrogant".

Senator MacEachen is the leader of the Liberals in the Senate. Senator Frith is his deputy leader, and he stated: "There may be 100 reasons why we should not in the Senate yield to the House, and only one reason why we should, and if that one reason is that the Commons is elected and the Senate is not, that is reason enough to yield." He is right.

Senator Hébert, remember him?

Mr. Epp: The hunger-striker.

Mr. Andre: As reported in Senate *Debates*, July 21, 1988, he stated: "The non-elected representatives should give away to the elected representatives leaving the people the choice to elect another government". Even he, if push comes to shove, recognizes democracy should prevail.

Mr. Milliken: That's why they only amended this bill instead of rejecting it outright.

Mr. Andre: Senator Buckwold, who is chairing the committee on the GST stated: "It should be understood constitutionally that basically the House of Commons in the end would be supreme, that there could be a very real cause for concern if the Senate rejected bills".

Senator Thériault, a Liberal from New Brunswick, stated: "The House of Commons is the legislature with the powers, as it should be as long as the Senate is an appointed Senate". He is dead right.

Senator DeBané, stated: "The Liberal party was not elected to government. The Conservatives were. It is time to bow to the will of the elected representatives. I urge my colleagues not to put any more road-blocks in the way of passing this bill".

New Democratic Party House leader, Nelson Riis, said on October 30, 1987: "Quite frankly, I am very disappointed with the Senate because I do not think it has the right to hold up legislation".

Lorne Nystrom, New Democratic Party finance critic in *The Globe and Mail*, March 28, 1990, said: "I believe the Commons should have the final say. I do not think the unelected body should usurp the elected body".

Pierre Trudeau, remember him, in 1984, when speaking on behalf of that party said: "No member of this Chamber would suggest that the Senate should systematically obstruct the will of the majority in the elected body of Parliament". Pierre Trudeau said that.

Perhaps it is time to acknowledge that there are a lot of things said in this Chamber about this and that, but the reality is that we all serve the public here in this Chamber, or even down the hall, and we serve that public not at all unless we continue to recognize that in a democracy it is only the elected body that has the right to insist that its views prevail.

• (1740)

I do not expect the members of the opposite side to stand up and acknowledge that fact at this point in time. I expect they will continue to vote that we listen to the Senate and that the Senate has a right to prevail. I understand that. But they do that in the sure knowledge that they are outnumbered in this Chamber. However, I would ask of them that as they meet in caucus with their Senators that they remember that this is a democracy. We are at the end of the day. It is time to let the will of the democratically elected House of Commons prevail. To do otherwise is to do damage to at least 130 years of tradition in this country and a couple of centuries more in terms of the British system upon which our system is based.

I ask that hon. members opposite aid us in ensuring that democracy continues.

The Acting Speaker (Mrs. Champagne): On questions or comments, the hon. member for Kingston and the Islands.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I listened with great interest to everything that the government House leader had to say. It sounded like his point of order on April 3. He will not mind me drawing the parallels, because I wanted to quote to him a few things he left out of his speech today that he said on April 3 and ask if his position is not just a little bit thick.

On April 3, as reported at page 10143 of *Hansard* he stated:

> Amendments 5(a) and (b) propose a different and more expensive—over $350 million—

And of course he was sounding shocked at the time.

> —scheme than that provided for in the royal recommendation. For this reason 5(a) and (b) should be ruled out of order.

That was his position on April 3. Now, here we have the resolution which the Minister of Employment and Immigration moved yesterday and I presume that the government House leader, being part of this wonderful cabinet we have here, had something to do with the drafting of this resolution. It says at the very beginning:

> That a message be sent to the Senate to acquaint Their Honours that this House agrees with amendment 5(b) made by the Senate to Bill C-21.

In other words, this amendment 5(b) that was out of order, according to the government House leader on April 3, now has been properly apparently moved in the Senate, because we do not have a royal recommendation attached to this resolution that the government has moved in its proposal here.

Mr. Kempling: That is a spurious argument.

Mr. Milliken: It is not spurious at all. The hon. member says that it is a spurious argument. The problem is how did the minister come to these varying views? Is it because his position has changed since April 3, in respect of his argument, or did one speech writer write the speech on April 3 and somebody else draft the resolution that we are adopting in the House today?

I would like to know how the minister who piously intones about the rights of Parliament and has gone on and on about how he is such a defender of those rights, now is accepting that this amendment is proper, as moved by the Senate, which increases the charge on the public revenue, by his admission. We have not denied that. We have said that it simply increases it by less than the amount of the royal recommendation originally. We have said that all along, and have said that these are in order. At the same time, on April 3 the minister was saying that this is wrong, this is bad. We cannot have it. Which is it? I ask the hon. minister to explain that.

Mr. Andre: I will be pleased to explain. First, I would like to put a proposal back. If the hon. member is suggesting that he finds this amendment an affront, then I am sure we could work out an agreement to amend the motion, to scratch this amendment, if he in turn would agree to vote with us on the remainder of the motion and prevail upon his colleagues down the hall to agree. Now, if he would agree to do that, we could do this straight away.

Mr. Milliken: No, I was just worried about your position.

Mr. Andre: Oh, I see.

Mr. Epp: Just a debating point.

Mr. Andre: Let the record show that the head nod was sideways, not up and down.

The hon. member will also know that what is of concern here is in respect of expenditures from the UI account, not from the CRF. The main principle of the bill, the principle on which we must insist and which if violated would truly ruin the balance of ways and means is the principle that the unemployment insurance account will be paid for by employers and employees and not by the general taxpayer. This amendment does not violate that particular principle.

But again, I repeat my offer, if the hon. member could make commitments on behalf of his caucus both here and in the other place, we could certainly go back to the motion that we sent to the Senate the first time.

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I was rather interested in the defence of democracy put forth by the government House leader. He is also suggesting that if the impasse should remain, there is a possibility that the government might, while staying within the bounds of democracy, support what I would describe as a super-saturated Senate. I would like the government House leader to expand on the proposition that if things continue, they will appoint Senators over and above the usual number.

Mr. Andre: There is no such proposition. There is a provision in the Constitution of Canada Act to allow for the appointment of additional Senators to break an impasse. People are aware of that.

Today, virtually the entire world is going to democracy. A few years ago it looked like democracies were under threat as totalitarianism was gaining throughout the world but now the opposite is occurring. Democracies are flourishing everywhere, but we wonder sometimes in Canada as this non-democratic body asserts what it claims are its legitimate rights.

As I said in my remarks, I do not think that the government will need to resort to those kinds of Draconian tactics because I believe, as the two leaders of his party, the finance critic and house leader said, the will of the House of Commons should prevail. I am sure his leader feels that way. I am sure there are more democrats in the New Democratic Party than there are people

who believe the Senate is doing God's work here. I am sure there are more democrats in the Liberal party than would be evidenced by hearing their speeches and that they realize that it is the right of the House of Commons to prevail.

Around the world on many occasions, people have taken very drastic action to defend democracy and at this point in time no responsible person would dismiss any alternative in order to defend our democratic system.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, I can understand why the minister chooses to deliver a sermon rather than to comment on the contents of the bill. I would be embarrassed to comment in defence of the bill as well.

Mr. Kempling: We are debating a motion, not the bill.

Mrs. Catterall: I would like to ask the minister one question. He has left on the record the implication that the delay in this bill is somehow costing the Canadian taxpayers $2 billion. His mathematics is a little wrong. We are not talking about a whole year, for starters. Perhaps he could explain to us how that compares to the cost to Canadian taxpayers of the government's interest rate policy.

Mr. Andre: Madam Speaker, as one of my colleagues mentioned, we are debating a motion to respond to Senate amendments, not the bill. The bill has been debated *ad nauseam* for many months.

• (1750)

The point about the roughly $2 billion in terms of a hole in the deficit, only a Liberal could suggest, "What is $2 billion?". If MacEachen wants to drive a hole in our deficit projections by $2 billion for the sake of some political gain, he should be free to do that, they seem to be saying. That is absurd.

The question of interest rates has a lot to do with the deficit and a lot to do with us spending more than we are taking in while trying to service the accumulated debt her predecessors left this government.

If the hon. member is suggesting that one can help with the interest rate problems by increasing the deficit by $2 billion in this manner, then I suggest that the Liberal caucus is in need of better financial advisers.

Mr. Dave Dingwall (Cape Breton—East Richmond): Madam Speaker, it was rather interesting listening to the diatribe of the government House leader, particularly in response to the questions which were put to him by my colleague for Kingston and the Islands.

However, in reviewing the motion before the House, I would like indicate to members present that the subject matter that we are dealing with, although very important to Canadians generally, specifically it is very important to those Canadians who have had opportunities, and some of them unfortunate opportunities, to be on unemployment insurance.

Many of those individuals are quite cynical about this entire process, especially the government's actions with regard to the statements that it has made previously. I remind members opposite and the public at large what a senior minister of the Crown said during the last election. The Minister for International Trade said during the 1988 election campaign: "No one is planning any changes in the unemployment insurance program. There has not been any change proposed to us since we dealt with the Forget commission. We are not contemplating any changes".

Those were the words of the Newfoundland representative in the federal cabinet, stating that there would be no changes to unemployment insurance. This was quoted in the *Evening Telegram* of October 14, 1988, on page 3.

Here we are, not too many months later, with the government introducing a budget and a particular bill to deal with the Unemployment Insurance Commission which will have, in the estimation both of government members, as expressed in this Chamber, and by those who have been recipients of unemployment insurance, tremendous, economic impact on the economies of the various provinces across this country.

As a result of this particular bill, the Government of Canada and the Department of Employment and Immigration have said that the province of Newfoundland will lose $21 million. The Canadian Labour Congress, on the other hand, states that it will be much more significant than $21 million. They state that it will be $58 million. In Nova Scotia it will be $29 million. The Canadian Labour

Congress states that it will be $52 million. In Prince Edward Island, CLC states that it will be $22 million; New Brunswick, $47 million; Quebec, $256 million; Ontario, $228 million; Manitoba, $42 million; Saskatchewan, $23 million; Alberta, $60 million; British Columbia, $72 million, for a total of some $800 million, which is a very significant amount.

When I think of young people, such as a young gentleman by the name of Christopher Chisholm who is watching tonight, I wonder what his world will be like 15 to 18 to 20 years from now. What the government has done by presenting this bill is change unilaterally the social contract that Canadians, both employers and employees had with the Government of Canada since the inception of the Unemployment Insurance Commission.

The changes which were put forward in the bill received vigorous debate in the House of Commons, examination by legislative committee, and were brought back to the House and thereafter debated in detail. The bill passed in the House because the government has the majority. It went on to the Senate, where the Senate did a thorough analysis, and heard from a variety of groups, including provincial governments, interested spokespersons, and organizations from across the country. They submitted what they believed were honest criticisms, and no one has doubted or questioned their sincerity, or that the facts that they did provide were authentic.

The Senate has made recommendations to this House. In part, the government has accepted some and has not accepted others. We find ourselves in a dilemma with the motion that is before us now to send certain information back to the Senate. The Government of Canada believes that somehow the Senate of Canada does not have the right to do what it is doing. That is understandable. Any time that an institution and individuals in that institution impede progress—and there is a funny way to define progress in this particular instance—that governments want to have in order to change massively the social contract that was so much a part of daily Canadian lives, it is understandable that the big corporate interests and the Conservative Party of Canada would not be pleased at all with those particular musings and suggestions coming from the other place.

As I said previously in this Chamber on this particular subject matter, these arguments have been made repeatedly by members in this House, by organizations and, of course, by the other place.

The government has a very easy way out of this particular mess they it has got itself into. Page 241 of Beauchesne's fifth edition states:

> When the House of Commons does not agree to the Senate amendments, it adopts a motion which states reasons for its disagreement.

Well, that has been done.

> This is communicated to the Senate. If the Senators persist in their amendments, they send a message informing the House of this fact. Upon this, the House either accepts the amendments or adopts a motion requesting a conference to which each House appoints Members; and a date is fixed for their meeting.

If members opposite want a way out of this particular impasse of their own making, it is very clear. Either accept the amendments of the Senate or you have a conference. It is a simple as that.

I point out to members opposite and to the public at large that this government does not know how to govern. They do not want to meet. They do not want to discuss. The Senate has every legal and constitutional right to do this, although they can argue the opposite. Quite frankly, we can argue on our side as well, but it is very clear from Beauchesne's fifth edition on page 241 that the appropriate procedure is for a conference to take place and/or for the House of Commons to accept the amendments of the Senate.

• (1800)

Let us not be fooled. We are not just dealing with some sort of procedural wrangling taking place between two separate bodies of one institution, namely the Parliament of Canada. We are dealing with something which is far more important than a procedural wrangling. We are dealing with the lives of Canadians across this country.

I do not say that I and I alone, because I represent a constituency in this country which has excessively high unemployment, know everything about unemployment insurance or that I have the measure of sensitivity and concern of every working man and woman in this country, but I do know that these changes being pro-

posed by the government are unacceptable to those individuals who are presently unemployed, who may have been unemployed, and who are likely to be unemployed, because they know the importance which is associated with removing the Government of Canada from the previous tripartite social contract that we had in this country for many years.

To say to employees who work in a fish plant that they as employees will have to pay for the training for high tech workers in downtown Toronto or in Edmonton or in Montreal or Toronto, for the Government of Canada to exclude itself, as a result of the amendments which the government is seeking through this bill, is unfair. We, on this side of the House, believe that it is poor public policy.

Members can debate whether that is accurate, whether it is true or whether it is untrue, but the fact of the matter is that when you remove a major economic player such as the Government of Canada from a tripartite agreement—I call it the social contract—it is no wonder that we have such consternation, such difficulties here in the House and the upper chamber with regard to these particular amendments before us.

The changes which are being sought, not only by members on this side of the House but indeed by the majority of those in the upper House are reasonable, are desired by those who are unemployed and those who work with the unemployed. These changes are being sought by provincial governments and by individuals of different walks of life who know of the insecurities and concerns that unemployed people have in terms of conducting their daily lives.

I would have hoped that the government opposite would have seen its way, notwithstanding its argument which, in some ways, is valid. The budget was introduced on April 27, 1989. Thereafter a piece of legislation to amend the Unemployment Insurance Act was introduced in the House and then we had the legislative committee, et cetera, and the debate has been taking place. Sadly, I represent a constituency where the real unemployment rate is, in some communities, three, four and five times that of the national average.

Surely to God we as members of Parliament must plug ourselves in and ask whether this is good public policy.

Members opposite, because of their neo-conservative views, may say that it is, but the majority of Canadians say that it is not. Of course, members opposite will ask what our test is for coming to that conclusion. It is very evident. As you travel across the country and meet with the people whom the public policy will eventually affect, they will tell you *en masse* that the changes sought by the Conservative government of the Prime Minister of the day are not acceptable to them and that the amendments being put forward by the Liberal party here in this Chamber, augmented if you will by those in the other Chamber, are acceptable to the massive number of Canadians.

Provincial governments concur with what we are doing. It is not good public policy. Surely a government, whether it has a majority of five, ten, twenty or thirty individuals, would not want to implement it notwithstanding the devastation that will take place simply because it believes it may have the upper hand in some sort of procedural argument.

In my concluding remarks I might say that I hope the Chamber has gone beyond that. There is no federal election due for two, three years. Surely it is the job of every member of Parliament to express their particular views, right wing, left wing, centre, neo-conservative, what have you. But you have to ask the fundamental question: Is it good public policy? Is it good public policy to have a tripartite social contract, thereafter to change that and to remove the biggest economic player in that tripartite contract? Is that fair to our fishermen on the Atlantic coast?

There is a very subtle view which is expressed, sometimes not in a public way, but in the most sophisticated way that is rather undignified, particularly for those who are unemployed, both men and women. But nowhere is that statement more apropos than in the fishing sector of our Canadian economy.

People in the fishing industry for many, many years have been able to fish on a seasonal basis, particularly in Atlantic Canada. I do not know if they fish in downtown Toronto, I suspect not, but that is due to the geography of the country. On a commercial basis for a livelihood there is not too much fishing on Yonge Street or in

Kingston and the Islands, but there is a hell of a lot of fishing on the Atlantic coast. Those fishermen today know what it is like to be out in a small boat without any form of assistance.

What do I mean by that? We have an economic package which the Government of Canada has announced with great fanfare which has been found by most individuals in our region to be totally unacceptable. You make the problem even more difficult for those fishermen by saying: "And by the way, we have now changed the unemployment insurance. We are going to remove the federal government from the tripartite social contract that was there since its inception. We are going to train you in Canso, Nova Scotia, we are going to train you in Trepassey, Newfoundland. We are going to do all wonderful things for you".

They are all going to become barbers. Imagine, barbers. That is what they are going to train them for. Or maybe they are going to train them to become cooks.

• (1810)

It is just not acceptable that a poor fisherman who may work for a short period of time is now going to have to pay money to train, but train for what in these areas? Not only that, the Government of Canada is not even going to be there to assist and to facilitate in the training process. But this is the hook. The government says that it is going to give money for training of individuals all across Canada. It is going to help the people down there. That is how the government phrases it. It is going to help the people down there.

I charge that the public policy of the fisheries package announced by the Minister of Fisheries and Oceans, aided and abetted by Bill C–21 and members opposite, is nothing more than a smoke and mirrors game for what has become known in this country as and has proven to be the most disruptive public policy one could imagine, namely resettlement: resettlement of people from Atlantic Canada to other parts of Canada, which is totally unacceptable to the Canadian people regardless of where they live. It infringes upon the pith and substance of the constitutional accord of 1981–82. I believe it is a total abrogation of everything the Prime Minister has said as well as members opposite.

I conclude by urging the government to see the error of its ways. It has an opportunity here to resolve a procedural impasse by doing what Beauchesne says in the fifth edition on page 241, that is, either pass the amendments being advocated by the upper chamber and/or sit down and have a conference in order to resolve this particular matter.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to rise again to speak on this bill. Notwithstanding any comments the minister may have made, I have very carefully reread the motion before the House. It very clearly refers to amendments to Bill C–21, to the principles of the bill and to the objectives of the policy. It goes on to speak at great length about specific sections of the bill. I have absolutely no hesitation in talking about the bill because that is exactly the subject of the motion before us.

I was astonished to hear the minister stand in the House to speak as he did about democracy. I suspect that never in such a short period in Canadian history, since November 1988 when this government took office, has there been such a consistent attack on democracy. It has occurred not in the other place but in this House.

The figures show that at no time since Confederation has closure been used as much as it has since November 1988. I fail to remember one bill coming into this House that the opposition wished to debate on which the government has not introduced closure and stifled debate, thereby stifling accountability of this government to the people of Canada.

I cannot of one major bill that has passed this House on which there has been any input from the public. On many of them the government has chosen to ignore totally the views of Canadians. It has ignored them on VIA Rail. It has ignored them on the clawback of old age pensions and family allowances. It has ignored them on unemployment insurance, and it has ignored them on the goods and services tax. In fact it has ignored virtually every commitment it made to the Canadian people to get itself elected to this House.

It should not be one bit surprising if the House of sober second thought insists on giving sober second thought to the fact that this government is proceeding in ways that are totally contrary to commitments and to the

sacred trust it swore to Canadians that it would be defending and not abandoning.

If anybody needs to be concerned about the commitment to democracy, it is not the other House and it is not the opposition. It is the Government of Canada.

I want to talk a little about justice. The government pretends that this is a bill that is going to improve things for Canadians somehow, and especially for those who most need a little help.

I want to talk about a very fundamental democratic principle, and that is a fact that we have a Constitution in this country and that Constitution contains the Charter of Rights and Freedoms. That charter of rights says that people are to be treated equitably. Also the charter says—and this has been in the courts and is in this bill—that the rights to parental leave in this bill is not this government's gift to women, although the women and the unemployed of Canada will be paying for it. It is something the charter requires. This government is playing a game with those rights in this bill as it is doing with a number of other policy issues by withholding from women who are pregnant right now the rights that the courts said they are entitled to have.

The government is using those rights as bargaining chips against which it is introducing other unpopular, damaging, hurtful measures. If the government is committed to the Constitution, committed to human rights in this country, and at all observant of the decisions of the Supreme Court of Canada on those rights, it should be pulling that parental leave requirement out of the bill and introducing it today as a separate bill. We on this side of the House can guarantee that those improved parental rights as ordered by the courts would be through this House in 30 seconds. The government does not want to do that, because then what does it have to put as icing on this very unpleasant piece of mud pie so that the people will think there is something good about it?

The government should also ensure that those parental rights are retroactive. It is going to say that it cannot do that because this bill is being held up. It will say that it cannot give pregnant women who may be on maternity leave the same rights as other women who may go on maternity leave the day after the bill is passed. The government will say it cannot give those two groups of women the same rights because the bill is being held up; it is not passed yet.

That did not stop the government from starting to charge people higher unemployment insurance rates to pay for those parental benefits, to pay for those maternity benefits, and to pay for training that nobody is getting. Those people have been charged that extra money from January 1, even though the programs that money is supposedly going to pay for are not in place. But the government refuses to give rights and benefits to people retroactive to that same January 1.

Similarly the government is using and victimizing the unemployed because it is not getting its way on this bill as fast as it would like. It is requiring that people work longer. It is taking away the variable entrance requirements that make it easier for people in high unemployment regions to qualify for unemployment insurance. It has refused to do what is fair and just to those persons by simply extending the existing variable entrance requirements. Instead, like a little child it is having a temper tantrum and saying: "if we cannot have our way, everybody else is going to suffer too. The unemployed are going to suffer, pregnant women are going to suffer, and we don't care because we don't care about justice".

• (1820)

As has been said over and over again, this bill hurts those who are poorest, hurts those who are least educated and hurts those who have the hardest time in the labour market. It hurts the poorest regions of this country to the point where whole communities will be dying out because of the provisions of this bill.

I live in a region of relative prosperity with a relatively low unemployment rate. That is why it was a privilege for me to travel across this country and to listen and try to respond with sensitivity to the concerns I heard from people who live in fishing communities, from migrant farmers, from the disabled trying to compete in the labour force, and from women trying to get back into the labour force after being out of it for many years and trying to juggle child care responsibilities. We listened, and some of us heard and some of us did not, to the fact that those who can least afford to be hurt any more are going to be hurt by this bill. That is unjust.

Even members on the other side of the House have to admit that a legitimate role of the Senate, one which it is seeking to strengthen, is to represent the views, opinions and interests of the various regions in this country in a

more equitable way, perhaps, than they are represented in this House. The Senate is doing that.

It is listening to people from those various regions on how their section of Canada is going to be hurt, and how this bill will harm our concept of a just and compassionate society that provides equal opportunities from coast to coast, no matter how small or large one's community, or how poor or rich one's household.

This bill hurts those who can least afford to be hurt further. Yet, the government refused to include in this bill any provisions that would ensure that those at the lowest end of the pay scale, with the least resources to compete in a changing labour force, would benefit from the training programs which their meagre incomes are going to be drained further to pay for. This government refused to include what it imposes on every federally regulated industry, which is equitable access for women, disabled persons, visible minorities and native Canadians to these training programs.

After refusing that kind of change to the bill, any government that pretends that it is interested in equity or justice or fairness has very few listeners left. This bill that is floating back and forth between the House and the other place makes no requirement whatsoever for any equity in the delivery of those programs, or assurance that they go to those who need them most. Yet it is those people who are paying the cost.

I said that this is a relatively prosperous region with a relatively low unemployment rate. Yet that very prosperity often hides the plight of the poor in prosperous urban centres. I can tell members of the government that being unemployed in an area like the National Capital Region or in a city like Toronto or in any of the better-off communities of our country is no less painful than it is in Canso, or any of the small communities of our country where people are being hurt badly by the government's economic policies. The changes to the unemployment insurance program will make it worse.

In fact, it is often more difficult to be unemployed in a prosperous area because of the higher prices for food, housing and clothing. They do not have the community support structures which we saw across this country to support and help one's neighbours in times of unemployment and hardship in communities where that is a more common problem.

I want to close with just a few comments about the government's lack of frankness with Canadians about this bill. I do not think the government understands training programs. If it did it would not have stripped money out of the Challenge 90 program and diverted it into a program to try to keep kids in high school. Surely the government must understand that for many families and for many children, the difference between whether or not they go back to high school in September is whether they have a summer job.

I know many families where the pressures of family poverty drive young people out into the workforce before they are ready. The summer job that thousands of young people across our country are being denied is often what gives them a stake in their community, a feeling of having a better future, and what sends them back to school in September. Thousands of young people will no longer have that opportunity.

The bill we are debating today, which is the subject of the motion before us, has one purpose, like so many of the actions of this government. It is not to improve training, it is not to improve employment opportunities, it is not to improve parental benefits, it is to grab more money wherever it can and particularly from victims who are vulnerable and least able to resist.

We need only look at the last few months in this House. Where is the money coming from? It is coming from women; women's programs, women's centres. It is coming from people of a different cultural background. Look at the stripping of the heritage language programs, the stripping of the communications mechanisms of native Canadians. It is coming from seniors through the clawback and changes to RRSPs. It is coming from students in a new fee charged on their student loans, loans for which they only qualify because they are too poor to pay their own way through university. It is coming from children through the clawback of the family allowance, and now it is coming from the unemployed.

If I sound indignant, Madam Speaker, it is because I am, on behalf of all those people from whom we heard right across the country. Two members of the government who were with me at those hearings are in the House today. On behalf of all those people from whom we heard, or at least from whom I heard but from whom apparently the government did not hear, I am indignant and I am angry because I think something fundamental about our sense of sharing and caring for each other in

this country, not only from rich to poor but from one region to another, is being abandoned. The government is abandoning its responsibility to contribute on behalf of all Canadians and compensate for the negative effects on some people in some parts of the country for its economic policies. I think that is a shame, and I am ashamed that this is happening in this country.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I was not going to participate in this debate but after sitting here yesterday listening to the hon. member for Kamloops I put a question to him. In answer to the question he challenged me to stand up and give a speech to explain to him and to the members of his party the duties and obligations of senators and the privileges of the Senate in relation to Commons bills. I said that of course if the hon. member for Kamloops wanted some advice in that regard I would be happy to provide it to him. So I am taking advantage of this opportunity today to do that.

I also wanted to correct a few misapprehensions that appear to have arisen in respect of this bill among the members of the government who have made some pretty wild-eyed observations in the course of their remarks. I think the hon. member for Ottawa West who just spoke expressed the indignation of many members on this side of the House at the government's actions in introducing this bill and in dealing with it in the way that it has. She probably also expressed the view of many of the members of the government side who are reluctant to get on their feet and say what they really think about this bill. I will proceed as best I can to point out to the government Whip and others who are here at this late hour some of the problems the Minister of Employment and Immigration brought out in the course of her introductory remarks on the motion yesterday.

• (1830)

The minister made a great to-do. In fact it was one of the longest speeches by a minister in this House that I have had the pleasure to witness. She seemed to have a lot of information about the historic rights of Parliament. I was delighted to hear the minister defend staunchly the rights of Parliament. I have had to play that role in the House. Indeed the opposition has had to play that role now for some time against a government which seems bent on destroying the rights of Parliament.

The minister took a new tack yesterday and put herself forward as a sort of champion of parliamentary government. As reported at page 11055 of *Hansard* the minister said:

> This House must defend its historic right to initiate and direct the financial policy of the elected government. This is not simply a theoretical exercise, but a defence of one of the key principles of responsible government. The battle for this right was won generations ago and we must protect its integrity.

That is wonderful to hear; I do not disagree with those words. The trouble is that the minister and I seem to have a profound disagreement on what it is we have to do to protect those rights.

As reported on the next page of *Hansard*, the minister went on to discuss British practice and spoke with longing for some kind of change in the powers of the Senate such as was introduced in 1911 in the United Kingdom to alter the powers of the House of Lords.

The minister has been a member of a government that for five years has not lifted a finger to do anything about Senate reform. The Prime Minister keeps saying that he will call a conference on Senate reform this autumn if Meech Lake passes the provinces by June. If it doesn't then he won't. I presume he is holding this out as a bit of a threat. I think most Canadians would regard that as something quite beneficial, because they realize the Senate as it currently exists provides some considerable defence for them against actions by this government which have been dictatorial in the extreme.

The minister spoke about the British practice and said how in 1911 the wings of the House of Lords were clipped. That of course has not happened in Canada.

The Prime Minister had an opportunity to make changes to the powers of the Senate as he negotiated the Meech Lake constitutional accord. I know he did not. Clearly it was not a priority. He knew, even though there was a Liberal majority in that body, the reasonableness of those senators was such that on any important issue he

would be able to convince them to go along with the government initiative in whole or at least in part.

I suggest the fact that the government is being very irrational in dealing with Bill C-21 is an indication of the difficulty it is having in getting that statute through the other place.

I could quote extensively from the minister's speech, but a lot of it dealt with the ins and outs of the bill. I did not want to get into that too deeply. The minister made an incredible statement on page 11062 as follows:

> This government was elected in 1984 and again in 1988 largely because Canadians understood which party could be counted on to manage effectively.

What nonsense. That is not the reason. Hon. members opposite know perfectly well that the issue in the last campaign was free trade. It was not effective management. No Canadian in his or her right sense would have voted for a government that has managed as incompetently as this government has. It said it would cut the deficit. It has not. The deficit is still $30 billion. It said it would save Canada from financial ruin. All it has done is increased taxes, increased the amount of money the government brings in, and increased government spending at an alarming rate. That is its idea of sound financial management. I have spoken on that before and do not propose to go through it all again.

We come now to the real crux of the matter. Here we have the resolution proposed by the government. I put a question earlier to the government House leader who on April 3 in the House had the gall to stand up to argue that the amendments proposed to this bill by the other place were somehow improper.

The Speaker gave a speech on this subject on April 26. It is not quite clear to me what was the effect of the decision. It is certainly clear that the government House leader did not have the Speaker rule any of the Senate amendments out of order. The Speaker declined to make a ruling on whether or not the Senate amendments were out of order and in fact faced the government House leader who asserted they were and who now in this resolution says in fact that at least one of them is not because he approves of it. He does not have a royal recommendation to support it. If it was out of order on April 3 when he made his point, and he now says it is in order, obviously he has conceded the point. I suggest he went through a lot of bafflegab in answer to my question earlier because he really did not know what to say. He got himself into a corner and ended up in great difficulty because he really did not understand the constitutional position in which he had placed himself in saying that the amendment is out of order. Now he is saying it is in order. He is going along with it. I congratulate him on that. I just wish he would go along with a lot more of them and, if he did, he would probably find he would have much less difficulty in getting the bill through.

• (1835)

That deals with the Minister of Employment and Immigration, but let us look at the government House leader because he has made some other unbelievable statements about the Constitution.

I have here a transcript of an interview he gave. He repeated some of these statements today in the House. I do not want to quote what he said because I did not write it down. I do have what he said in an interview on May 6, taped on May 4 with Pamela Wallin on the CTC news report. The minister was asked questions about his view of the role of the Senate. He made these statements which portray in my submission a profound ignorance of the Constitution of Canada.

I have urged him to spend some time in his new role reading up on this subject so he would know something more about the Constitution when he discusses it, because after all he is called upon to make comments on the role of the other place. Yet, obviously not having paid a lot of attention to this, he said:

> You see, the Senate's authority comes from a clause in the Canadian Constitution that says there will be a Parliament consisting of the Queen, the Senate and the House of Commons. Now the Governor General has the same powers the Senate is claiming but everybody would be quite surprised, to say the least, if the Governor General said well I'm going to amend this legislation before passing it.

That is true, but had he read the Constitution Act instead of just the one clause, he would see that Section 13—and I urged him earlier today to read it—states:

> The provisions of this act referring to the Governor General in Council shall be construed as referring to the Governor General acting by and with the advice of the Queen's Privy Council for Canada.

The Governor General does not go off on his or her own. The Queen or the King does not go off on his or her own, if it were a king in this particular case. The decision is made after taking advice. Everybody in Canada knows that. The Governor General cannot do anything without receiving advice on the subject except

on thing, and that is refuse or accept advice concerning the dissolution of the Parliament of Canada.

If the advice is refused, the Prime Minister must resign. That is just the way it is. Refusal of advice on any point results in dismissal of the cabinet.

We have had the spectacle of that happening once in 1926. But, other than that, it is just unheard of. The Governor General accepts advice from the government of the day, from the privy councillors who form the cabinet. That is the way it is. That is the way it has been in Canada for years, at least since the British North America Act was passed in 1867. So, for him to suggest that the Governor General and the Senate are similar in any way is simply beyond belief.

The minister went on. The interviewer, of course, was shocked. She said:

> But that is a little bit different than a body that is—

He interrupted and said "they are both appointed", which apparently makes them the same in the view of the government House leader. He went on:

> They are both appointed. In fact, Governors General are only there for five years; Senators are there for life, for heaven's sake.

If he knew anything about the Canadian Constitution he would know that in 1965 an amendment was passed which limited senators sitting until age 75, except those appointed prior to the passage of the amendment in 1965.

Senators are not there for life unless the government House leader considers that life ends at 75. I hope, for his sake, he does not. I was hoping he would live to a ripe old age and with any luck continue to sit in this Chamber because certainly his constitutional blunders cause no end of merriment to those of us who sit on this side of the House.

I suggest that he has again blundered on with his statements as to the powers and abilities, if you like, of the Senate of Canada.

• (1840)

I could go on and argue that his views need some correction. The British North America Act, which he quoted from, has lots of sections I could read that do not reflect constitutional reality. I could turn, for example, to Section 55. Perhaps the hon. member would enjoy this:

> 55. Where a Bill passed by the Houses of Parliament is presented to the Governor General for the Queen's Assent, he shall declare, according to his Discretion, but subject to the Provisions of this Act and to Her Majesty's Instructions, either that he assents thereto in the Queen's Name, or that he withholds the Queen's Assent, or that he reserves the Bill for the Signification of the Queen's Pleasure.

We all know that section is no longer followed, that the Governor General invariably gives his assent to bills that are passed by this House and the other place. For the government House leader to suggest that the Senate's powers are somehow similar to those of the Governor General is simply ridiculous.

I want to turn to the questions raised by the hon. member for Kamloops who has suffered—if you want to call it that—an about face. As I said yesterday, like St. Paul on the road to Damascus at least in part, he and his party have seen the light with respect to the Senate. The NDP has recognized the true contribution that the Senate makes, and I am sorry that they are not here. I am sure they would enjoy hearing some of these things and perhaps learn some things about the Senate.

The hon. member for Kamloops explained the NDP's new position this way. It had to be one of the vaguest explanations I have ever seen. He said at page 11075 of *Hansard* for yesterday:

> New Democrats watched intently the assault on democracy which took place last year.

Of course, so did we:

> We exercised our democratic rights within our own party and voted at our December convention to change our party policy on the Senate. Whereas once we were satisfied that the Senate had to be abolished, and that was it, we are now in the process of looking at a variety of options to provide and promote better regional representation in the Parliament of Canada, including but not limited to, proportional representation, an elected Senate, and other options.

In other words, the New Democratic Party now has no policy on the Senate. It scrapped its abolition policy, but

it does not now know what it should do. That is not surprising. New Democratic Party policies change with the circumstances, just like the skin of a chameleon. In this case, we had the principle of democracy as exemplified by NDP policy, being that the Senate should be abolished.

Yesterday, we had the spectacle of the hon. member for Kamloops demanding that the Senate block this bill. In fact, he went on to say, at the same page in *Hansard*:

> New Democrats were among those who went to the Senate and requested that it block the imposition of Bill C-21.

He was referring to New Democrats outside the House of Commons, and he made that clear. He said:

> Through their labour councils, social councils, churches and women's groups, they asked the Senate to protect the unemployment insurance program that their fathers and mothers and fellow social democrats had fought so hard to establish. These ordinary New Democrats—

I presume the ones here are not ordinary:

> —and ordinary Canadians generally, told the Senate of the importance of maintaining a healthy unemployment insurance program, of the need for government to play a role in training programs, of the responsibility of government toward unemployed workers.

We in this party, have said the same thing, but there is an important difference between the Liberal party and the New Democratic Party when it comes to dealing with the Senate.

The New Democratic Party said: "Use your powers as an unelected body, but use the constitutional power granted to you by the British North America Act of 1867 to block this bill." As the hon. member for Kamloops well knows, there has been no amendment made in this House similar to the British amendment of 1911 which curtailed the powers of the upper chamber. We have not done that.

The Senate has full power to change any bill that comes before it, and indeed could block this bill. The Senate has chosen not to do that, and it is not by accident that it is dominated by members of this party. We in the Liberal party do not believe that the unelected body should have the power to block the will of the democratically elected House of Commons. We have always said that. It has been our position consistently, and the position is exemplified by the actions of the Senators in the other place.

Mr. Waddell: What about the trade deal?

Mr. Milliken: They did not reject the trade deal. What it did was say: "We will hold up, block and seek to correct the Commons in its errors. We will send the bill back with amendments." The hon. member knows that is what has happened in this case. I can see why he would flee, he does not want to face the music. Instead, the New Democratic Party has abandoned its democratic principle because it is inconvenient today. It says to the Senate: "Block this bill".

• (1845)

I will let you in on a secret. I know why they have said that they do not really want the Senate to block this. They say on the one hand block it, but they do not want it to happen because what they want the Senate to do is let the bill through eventually with some amendments. We are getting some more today. I see the government has softened up a bit more this time and has agreed to some of the very reasonable amendments that the Senate has proposed. Maybe if it comes back again, it will agree to more. Who knows?

What has happened is that the New Democratic Party want to be in the position where they can go to the people and say: "We urged the Senate to block this bill. We abandoned our democratic principles and we asked an unelected body to block this bill, but they did not do it".

Then they will say to the Canadian people: "Do you know why they did not do it?. Because they were Liberals and Liberals are not really in favour of protecting you by blocking this bill". That is what they will say.

They will suggest that somehow we, the opposition in this House, are somehow insincere because our colleagues in the Senate who recognize the limitations they have on their powers under the constitutional practice in Canada will not block this bill. That is what the New Democratic Party is trying to do. They are trying to have it both ways.

The trouble is in trying to get it that way they have had to abandon their democratic principles and scrap their policy of abolition of the Senate in favour of a no policy because they really have not the faintest idea of what they are going to do now.

The hon. member for Kamloops got himself into difficulty yesterday when I put these questions to him. Instead of responding in a reasonable way and admitting that their policy is folly and that they do not know what they are doing, he tried to pretend that in fact there was

a sound policy base for the actions that their party has taken. He knows as well as I do that there is no basis.

This is a chameleon-like move in an effort to fill in a vacuum that has been created because we have been defeated in this House on this matter. We have lost the vote on second and third reading after closure. The government has steamrolled the rights of parliamentarians in the course of its dealings on this bill.

What we have, I submit, is a situation where the New Democratic Party ought to be delighted that the Senate has taken the steps it has and has brought forward reasonable amendments, some of which the government has had the wisdom to accept, most of which it has not had the wisdom to accept. It should be delighted that the Senate—although they are limited amendments—have at least tried to correct the folly of the government in bringing forward this bill which is so unfair to the unemployed people of Canada.

Of course, the persons who are now employed who may subsequently become unemployed and may not know it are also going to be victims under this particular piece of legislation.

I welcome the opportunity to debate these issues. I am sorry that time does not permit me to explain further the weaknesses of the New Democratic Party's position on this matter. I wish they would stay and support us in our opposition to this bill because we have indicated our anxiety to see that this bill be defeated and will continue to do so.

Mr. Kempling: Madam Speaker, I wish to thank the staff, the interpreters, and everyone who stayed around for this debate.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Pursuant to the order made earlier today, the division on the amendment and the main motion is deemed to have been deferred until tomorrow, Wednesday, May 9, 1990, at 3 p.m.

Accordingly, this House stands adjourned until tomorrow at 2 p.m, pursuant to Standing Order 24(1).

The House adjourned at 6.49 p.m.

HOUSE OF COMMONS

Wednesday, May 9, 1990

The House met at 2 p.m.

Prayers

[*English*]

NATIONAL FOREST WEEK

Mr. Peter L. McCreath (South Shore): Mr. Speaker, this week is marked as National Forest Week and the opportunity is provided to us to consider how our lives are affected by Canada's forest resource.

More than 800,000 Canadians work directly and indirectly in the forest sector. I would like to pay tribute to those people who are the driving force behind Canada's forest industry, for it is their skill, dedication and professionalism that keeps forestry on the top of Canada's economy. National Forest Week should be a celebration of their commitment.

In particular, I would like to draw attention to the forest industry on the South Shore of Nova Scotia, to the Christmas tree growers, the woodlot owners, the sawmill operators and workers, the people of the Canexl plant in East River, of the Bowater Mersey plant in Brooklyn, Queens County, the forestry capital of Canada.

I congratulate all and thank them for their contribution to our life, our economy and our country. National Forest Week is for them.

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CANADA POST

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, when it is lost, say goodbye.

Ironically, Canada Post's annual report boasted that the corporation focused on reliability, accessibility and affordability.

On November 1, 1989, a registered letter containing a $250,000 trust company draft was received in Ottawa by Canada Post. By November 3, Canada Post had lost the draft. Repeated questions by the sender, addressee and lawyers have gone unanswered.

Where is Canada Post's pride and joy in operational performance? Where is the highly touted "Track and Trace System" when you need it?

When Canadians use registered mail, do they realize there is no delivery guarantee and that Canada Post assumes no liability for loss?

Canada Post admitted receiving the letter, admitted losing it, but claims no responsibility. It cost these individuals $250,000 and, apart from an initial apology, the corporation did nothing to help these people. Its mismanagement and ambiguous regulations covered the system.

* * *

THE ENVIRONMENT

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the Yukon government is leading the way once again. It has become the first government in the country to adopt the major recommendations of the 1987 Round Table on the Environment and the Economy which called for the creation of government action plans for each province and territory.

On May 7, the Yukon government released the Yukon Conservation Strategy, a comprehensive management plan to guide the use of the territories environment into the 21st century. This plan is the result of extensive public consultation with industry, environmental groups, native organizations and the public in workshops and public meetings over a period of 18 months.

The Yukon government, a New Democrat government, is to be congratulated on this progressive step. It gives us hope for the next century to see a government taking this responsibility. Let us hope that all governments, including Ottawa, follow their example.

S. O. 31

BILL C-21

Mr. Doug Fee (Red Deer): Mr. Speaker, the Bill C-21 changes to the Unemployment Insurance Act have been well debated in this House. The elected representatives have made a decision, a decision that recognizes that we have a dual responsibility to the people of Canada, first to assist the unemployed and, second, to make effective use of our financial resources.

If we are to be able to continue to help those with a legitimate need in this country, we must first get our fiscal house in order. We need to examine every government program with a fine-tooth comb. The financing changes under Bill C-21 will contribute $1.9 billion to deficit reduction in 1990-91.

We cannot accept demands from the other place that will add to the burden on the Canadian taxpayer. The Canadian people will not accept it.

* * *

HUMAN RIGHTS

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise to congratulate Mary Ritchie of Porters Lake, Nova Scotia, who yesterday succeeded in desegregating the assembly line of Volvo Canada in Halifax.

After 16 years of Volvo's refusal to hire her, Mrs. Ritchie took her complaint to Nova Scotia Human Rights Commission. Yesterday, the commission awarded her $43,000, the largest award in the commission's history. They also ordered Volvo to hire her as soon as she completes her training course, and further ordered Volvo Canada to instigate an affirmative action program for women immediately.

Mary Ritchie has won a great victory for women. The Nova Scotia Human Rights Commission has shown its mettle in the ongoing battle against discrimination.

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[*Translation*]

DEMOCRACY

Mr. Nic Leblanc (Longueuil): Mr. Speaker, in Canada we are proud of our political institutions which reflect a long and rich tradition of democracy. Unfortunately, Mr. Speaker, there has now been a shameful departure from this tradition. Liberal senators, who are not elected and did not receive a mandate from the people, are holding up the democratic process, for strictly partisan purposes.

Mr. Speaker, when democracy no longer works in Canada, this strikes at the core of one of our most sacred values. I am concerned, and with me my colleagues and my constituents.

I therefore invite this hon. House to express, loud and clear, its faith in the democratic system and publicly condemn those who so blatantly ignore the tenents of democracy.

* * *

• (1410)

[*English*]

AGRICULTURE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, Section 95 of the British North America Act of 1867, simply states: "In each province the legislature may make laws in relation to agriculture in the province", and, further "That the Parliament of Canada may from time to time make laws in relation to agriculture in all or any provinces".

You do not have to be a Bay Street lawyer to deduce that both federal and provincial governments are responsible for farmers.

Wake up western farmers!

In the past four years, the federal government has provided 80.4 cents of every dollar spent by governments on agriculture. In Manitoba, it has provided 88.78 cents of every dollar spent.

What a shameful bunch of provincial pikers who claim to support agriculture in the provinces.

* * *

SOCIAL PROGRAMS

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, the Minister of National Health and Welfare and the Minister of State responsible for Seniors, are playing games with the senior citizens of this country by failing to tell them what is going on with the New Horizons program. Calls to both ministers' offices yesterday, trying to confirm the rumours that the New Horizons program has been eliminated or is facing

substantial budget cuts, did not produce any information which would alleviate some of the concerns.

The New Horizons program has been around since 1972. The program has served to make the lives of our seniors more enjoyable and, more importantly, they have been allowed to continue their contribution to society.

Why has the government not been up front with the senior citizens of this country? Why is it continuing to attack the seniors? First, the threat to de-index Old Age Security, then the clawback of pensions, and now the cuts or elimination of the New Horizons program. Where is the fairness and the compassion this government claims to have?

I call upon the government to lay its cards on the table now and tell the seniors the truth. Will the New Horizons program be cut substantially, or is it being eliminated completely?

* * *

[*Translation*]

ABOLITION OF TOLL ON CHAMPLAIN BRIDGE

Mr. Fernand Jourdenais (La Prairie): Mr. Speaker, people say politicians don't keep their promises, but this certainly does not apply to the riding of La Prairie. After waiting for nearly six years, residents of Brossard, Candiac, La Prairie and Saint-Lambert finally breathed a sigh of relief when my campaign promise to get rid of the toll on the Champlain Bridge was fulfilled last Friday.

Without my perseverance, Mr. Speaker, day after day since 1984, we would still be throwing tokens or quarters in the toll boxes on the bridge.

I want to thank my regional minister, the Right Hon. Prime Minister, the Hon. Benoît Bouchard and the other ministers with whom I discussed this matter. Many thanks on behalf of my 91,198 constituents.

At last, Mr. Speaker, my fellow citizens have stopped paying toll, and I must say the removal of this obligation is a major victory for equal access for all residents in my riding, whom I thank for their trust and support.

Mr. Speaker: And we thank you, sir.

[*English*]

STEEL INDUSTRY

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, the Canadian steel industry is suffering. Everyone appreciates this except for the Canadian government and one of its appointed bodies, the Canadian International Trade Tribunal.

This Canadian body ruled against protecting major Canadian steel producers, Algoma, Defasco, Stelco and Ipsco and removed anti-dumping tariffs against 11 countries.

Market conditions have worsened. These countries have excess capacity and will be looking for markets for their steel plate. Domestic demand and prices are down and Canadian steel remains ever more vulnerable.

I quote directly from the CITT ruling of May 1, 1990:

> —more attractive prices in the exporting countries made renewed dumping unlikely—
>
> In contrast, imports from the United States had significantly increased their share.

This ruling, along with the consequences of the free trade agreement, government policy on high interest rates, and the resultant high dollar are decimating the Canadian steel industry. I ask the Ministers for International Trade and Finance to finally assume their responsibilities to Canadian steel producers and intervene in this decision and a pending ruling by the CITT.

* * *

MEECH LAKE ACCORD

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, as we approach the deadline for the ratification of the Meech Lake Accord, we must remember that we are all in this together and a solution to this impasse will benefit all of us as Canadians.

I would like to read a short passage from a letter that I received this week from Fred Antrobus, an 88-year old pioneer in Regina. He stated: "I am sure the Meech Lake program will survive. We need unity in spite of

diversity—we need cooperation. Premiers are part of a team, not individualists, so there should be flexibility".

I hope the critics will heed the wisdom that only avails itself to those having lived sufficient years to become truly wise. On his behalf, and on behalf of all those in Regina—Wascana, I sincerely hope that we can find a way to be part of the solution to the present impasse and to ensure that this country remains united from sea to sea to sea.

* * *

NATIONAL RESEARCH COUNCIL

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, this morning the National Research Council announced the development, by one of its leading research scientists, Dr. Patrick Wong, of a technique that augurs well for the early detection of cancer. I stand today to congratulate him and his staff. The newly developed technique will allow the detection of cancer with greater speed, simplicity, objectivity, non-invasiveness, and accessibility.

This scientific breakthrough has been made possible by the creativity of a Canadian scientist and his staff and through the resources made available to them. A scientific breakthrough of this magnitude is only possible after painstaking laboratory work under the umbrella of a secure and adequately-funded research environment.

It is fitting this afternoon to be continually aware of this and for Canada to continue to contribute to the advancement of medical science that will help ensure the well-being, not only of Canadians, but of all citizens of the world.

Therefore, I urge the government to increase its support for funding of basic research and to assure our scientists and science teachers that their endeavours are valued as being truly noble. Our excitement today about a Canadian scientific breakthrough assumes greater meaning and value when we as parliamentarians commit ourselves to increasing our budgetary support for science and technology.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, my question is directed to the Deputy Prime Minister. At a time when western farmers are facing a serious drop in their incomes, when American farmers who compete in the same markets are expecting increases, and when the American and European farmers are receiving massive subsidies from their governments, the western premiers, in a joint communiqué earlier this week, called on the federal government to "send a clear message that Canadian producers will not be bullied by unfair subsidies—either now, or in the future".

When will the Deputy Prime Minister respond to the western Premiers and bring forward a comprehensive and complete program to help western farmers survive and to defend themselves against these unfair subsidies? When is this government going to act?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, in that same press communiqué, the western Premiers said that the federal government was spending too much money and that was the cause of high interest rates, the escalating dollar, and the loss of the competitiveness in the Canadian economy. I am not sure which one of those passages from the press release the hon. Leader of the Opposition would want us to adhere to.

We have said before, and I will say it again, that the federal government has $500 million on the table to help overcome the income deficiency in agriculture. That is not as much as we have provided in the past. The hon. member knows that we have provided support to the agricultural industry in an unprecedented fashion over the past number of years. However, given the fiscal restraints that we are under, we have provided $500 million plus $180 million for arrangements through the Farm Credit Corporation that could be provided, and an additional enhancement to the soil and water conservation program. The total package is more like $700 million. That is all we can afford at this particular time.

We have asked the provinces to sit down with us and design the kind of programs that would meet the multi-faceted problem that we are facing. It is a problem of drought, it is a problem of flood, it is a problem of high input costs, and it is a problem of low depressed prices.

I ask the Leader of the Opposition and I ask the Premiers of the provinces to stop copping-out, to come forward and to help us put together an attractive agricultural income deficiency plan which will meet all agriculture needs from coast to coast.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I asked the Deputy Prime Minister what his government was going to do to defend western farmers against the unfair subsidies of foreign governments. All we got was a meaningless tirade from him. He should know that only the federal government can act in international markets. Why is he calling on the premiers to do something they have no jurisdiction to do?

Furthermore, the Deputy Prime Minister certainly does not show much respect for the unanimous views of the western premiers, three of whom are still supporters of his own party.

• (1420)

The western premiers were also unanimous on the GST, about which they said:

> "The economic environment will be further worsened by the introduction of the proposed goods and services tax—Ottawa can still avoid the harmful effects of this intrusive tax".

Why is the government blindly persisting with this intrusive tax? Why does the Deputy Prime Minister not realize that the GST is the last thing that the western economy needs? It does not need it any more than it needs another year of drought.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the comment that the hon. Leader of the Opposition made with respect to the provinces' position on the GST as it affects agriculture again demonstrates the insensitivity of the premiers toward the agricultural industry.

He knows, and the premiers should know, that the GST will result in a saving in input costs of $250 million to the agriculture industry. Why would I want to be against that? Why would the premiers of the provinces want to be against that, if they had agriculture as a major priority in their governments?

With respect to the GST in a general sense, I ask the the hon. Leader of the Opposition, why would he be against a tax proposal that is going to generate an additional $9 billion worth of economic activity in this country—$2 billion worth of economic activity in the province of Alberta alone—which will create jobs and new opportunities for all Canadians from coast to coast?

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I can see that the Deputy Prime Minister is not listening to the western premiers any more than he is listening to me. The western premiers talked about the total economic environment of western Canada.

[*Translation*]

Mr. Speaker, my third question is directed to the same minister and concerns another aspect of this government's economic policies. Yesterday, the Minister of Fisheries and Oceans said that with the exception of funding for measures that had already been announced, all funding for the fisheries program announced this week was "new money". Last week, however, his government was about to sign an economic diversification plan with the government of New Brunswick that would grant $38 million to this province.

I want to ask the Deputy Prime Minister whether he could explain why, at the last minute, the government decided to withdraw from this agreement. Is it because the government preferred to spend the money on the fisheries program instead of helping the province of New Brunswick?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, if the Leader of the Opposition had bothered to call me before asking a question I would not want qualify as unparliamentary, I would have told him. The federal government never said to the Province of New Brunswick it was going to withdraw from negotiations on an economic diversification agreement for the province. Once again, I think you should talk to your research assistants and pay less attention to your Liberal friends in Fredericton.

[*English*]

FISHERIES

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, amid the disaster in the fishing industry, the Minister of Fisheries and Oceans now says that he is considering charging a royalty fee on all fish that are caught in the Atlantic Ocean. The minister referred to it as "a stumpage fee". "—I go back to my trees back home," said the minister. "When I cut a tree, I have to pay a stumpage fee. So how come we have all this fish and no one pays?"

Why is the minister further distressing our fishermen by announcing this new fee on fish? Does the minister not realize that fish are not like trees? We do not chase a tree around the forest before we chop it down and Canadian fishermen are not scuba divers with chain-saws.

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I prefer trees to fences.

It is true that in our consultations on this adjustment package for plant workers, the federal government will be suggesting, as part of our consultation with the unions, the companies, and the provinces, the setting up of a self-sustaining fund to which all parties would contribute. Financial security can be provided to our plant workers as a caution against the reality of a cyclical fishery in Atlantic Canada.

Everyone talks about a common property resource. It is on the basis of a common property resource that the federal government and provincial governments are asked to participate. I see nothing wrong with having those big companies, which make a large profit from the fishery, providing for the financial security of their workers.

Mr. George S. Baker (Gander—Grand Falls): Mr. Speaker, the minister says he prefers trees to fences. Well, with the damage that he did with a motorcycle, I would hate to see him with a chain-saw.

Some hon. members: Oh, oh!

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Baker: Mr. Speaker, does the minister not realize that there is not a person in Atlantic Canada who can afford to pay a royalty fee on fish? The whole idea of paying a fee for every pound of fish that comes over the wharf is unthinkable, it is unworkable, and it is unbearable. Will he cancel this outrageous proposal?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, again, the hon. member says that not one person in the fishing industry in Atlantic Canada could pay a fee on either the output of a processing plant or the fish being caught. I do not think he knows the reality of the fishing industry in Atlantic Canada.

Larry Wark, who happens to be the Halifax Director of the Canadian Auto Workers, stated, and I am quote from an article in this morning's newspaper: "Mr. Valcourt has come up with a great idea." Do you know what, Mr. Speaker? I think he is right.

Some hon. members: Hear, hear!

* * *

THE ECONOMY

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Deputy Prime Minister.

Last night in his appearance before the finance committee, the Governor of the Bank of Canada said that he had made a mistake in mid-January by cutting interest rates. But he also said that his zero inflation policy will take quite a long time to produce results. He seems to be asking us to trust his judgment in this area, but we know that the zero inflation policy pursued by the Governor of the Bank of Canada means sustained high interest rates. Those are the same high interest rates are killing small business, killing farmers, and that the premiers are asking the government to lower.

Does this government support the Governor of the Bank of Canada's policy of zero inflation? Yes or no?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I would like to remind the Hon. Leader of the NDP that inflation is a threat to the Canadian economy and a threat to lower-income people. Monetary policy and the interest rate policy which is being followed is a solution. Interest rates are not the disease but a manifestation of a problem which exists.

What the Governor said yesterday, if I understand him well, is that he will maintain this policy. That does not mean that interest rates will not come down, but we

must not expect them to come down artificially until such time as inflation comes down.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, inflation in the country has clearly resulted from the government's own policies, the policy of high interest rates, the policy of higher sales taxes, and the policy of tax cuts for the wealthy.

• (1430)

If this government is seriously concerned about inflation, why does it persist with fiscal and monetary policies which include trying to implement a goods and services tax which, by its own admission, will increase inflation? Why does the government persist with these kinds of policies?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, we have to react to the fact that there are inflationary pressures in the system which are influencing matters not only in southern Ontario but in many other provinces.

As the Governor indicated, when interest rates were lowered in mid–January, because of inflationary pressures the dollar went down sharply and the market was very volatile. So we need to work not only on the monetary side but the fiscal side.

The leader of the NDP referred to our fiscal and tax policies.

The government has been trying to restore the finances of the country to good health, and it has been taking strong, difficult measures to do this. It needs to continue to work on both the monetary and fiscal sides.

Also, we need to work together on the fiscal and monetary policies to make sure that there is capital available to industries, and that the government does not use it all. These two policies are far from being contradictory.

Ms. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker.

I say to the minister that capital available at interest rates that nobody can afford is hardly capital available.

[*Translation*]

Here is my supplementary, Mr. Speaker. Last night, the Governor of the Bank of Canada repeated many number of times that we had to maintain price stability and bring inflation down to zero. However, he did not make a commitment to full employment or to acceptable unemployment levels.

Mr. Speaker, where is the limit to what is acceptable for this government?

How high is this government prepared to let unemployment rates go before it decides to reverse its policy?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, the greatest threat to jobs in this country is letting inflation get out of control. Our policies and the policies followed by the Governor of the Bank of Canada, which we support, are specifically aimed at controlling this threat, especially for the benefit of those on low incomes. It is imperative that we continue our methodical and systematic approach—and I am referring to the government with respect to our tax policy and the management of our finances, as well as to the Bank of Canada—to ensure that inflation is kept under control.

This is now being done. Yesterday, the governor indicated that according to certain indications the pressure was starting to drop. We cannot afford to ease up on these policies and we must continue to make sure that they are being carried out as effectively as possible and result in the kind of progress we all want.

* * *

[*English*]

FISHERIES

Mr. Joe McGuire (Egmont): Mr. Speaker, the Minister of Fisheries and Oceans is well aware of the disastrous conditions facing the lobster fishermen on the east coast.

The processors are in the same boat. They are having a very difficult year due to the very low prices and inventories that exist. I know there are marketing plans being developed, but that is a future solution. The fishermen need to pay their present expenses.

Has the minister considered using the Fisheries Price Support Board to help the fishermen and the processors in order to break the depressing psychology that now exists, and if not, why not?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I understand that the Fisheries Price Support Board was seized with an application in January, which was turned down.

There are no new applications before the board right now.

A week ago last Sunday, I met with lobster fishermen from the maritimes and will be meeting with my provincial counterparts this Friday in Ottawa. I intend to discuss a proposal that was submitted to me by the lobster fishermen.

Mr. Joe McGuire (Egmont): Mr. Speaker, a supplementary for the same minister.

Yesterday, representatives of the Maritime Fishermen's Union indicated to us that there was nearly a $7 million inventory existing on the east coast at the beginning of the May season. That is an inventory of $7 million out of $260 million or is less than 3 per cent.

Will the minister admit that it appears the fishermen are being used as pawns in this very difficult situation and that high inventories are nothing but a hoax? What will the minister do to ensure fair prices to fishermen?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, lobster prices are market led. I do not think that anyone can relate the problem of market prices with a policy of that government. If one policy could be faulted it would be the conservation and management one which over the past ten years has led to the doubling of the landings of lobster in the maritimes and an increase in its value of 260 per cent. Our lobster fishermen have not done bad at all in the past.

This year the price is governed by the market and inventory. To put the whole thing in perspective, the inventory was $20 million when I entered this portfolio. Two weeks ago the inventory was at $8.5 million, now it is down to $4.5 million. This tells me that the marketing campaign which my colleague at International Trade has instigated in some 36 countries across the world is working. We will consider what kind of measures we can take to help the lobster fishermen in the processing industry this week.

AGRICULTURE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is directed to the Minister of Agriculture.

When the minister first announced his farm aid program, he said that only new money from the provinces would be recognized for the program. On Monday in this House he said he was now crediting the provinces for some of their existing programs. Today in *The Globe and Mail*,—

Mr. Clark (Yellowhead): Where? In the Winnipeg Globe and Mail?

Mr. Harvard: We read from the minister that if the provinces do not match his $500 million program, he will find another way to use federal funds to help farmers.

Why does the minister not stop his doublespeak? Why does he not stop his politicking and simply release the money to the farmers now? They need it.

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, there is absolutely nothing inconsistent in what I said. I was merely responding to the suggestion of his colleague, the hon. member for Winnipeg—Fort Garry. He suggested that we use this money to set up a contingency fund to fight international trade wars.

Because of the experience and the background of the hon. member I would have no other course but to take that suggestion seriously.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I think the minister has a responsibility to make sure that confusion does not exist, and that is exactly what we have.

In the April 4 edition of *The Financial Post* the Minister of State for Agriculture is quoted as saying this about prairie governments: "If agriculture is so important to them, they must put their money where their mouth is".

Agriculture Canada says that the free fall in farm incomes is due to a 57 per cent cut in federal support programs. I ask the Minister of Agriculture, why don't you heed the advice of your colleague? Why don't you

put your money where your mouth is and deliver that money to the farmers now?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, the hon. member knows very well that the government has stood behind the farmers in an unprecedented fashion, and still continues to do so.

As well, the hon. member knows that under Section 95 of the BNA, agriculture is a shared responsibility. The hon. member should also know that we have been involved with various joint federal-provincial programs from livestock, drought, to soil and water, to agriculture ERDAs, to assistance for grasshopper relief, to floods, you name it. This is not something new.

We have limited resources available. We have asked the provinces to sit down and try to work out the kinds of programs they would want to meet their unique needs. Then we can target the assistance and make it the most effective assistance possible. We have asked them to do that, to sit down with us and work out that sort of program.

• (1440)

We have indicated that any new programs they bring forward that could be seen as improving the income position of farmers in 1990 would be taken into consideration as a part of the plan.

It seems very simple. Unless the provinces want to totally cop-out of helping agriculture at this very difficult time, then we will have no other choice than to do something along the lines that was suggested by the hon. member for Winnipeg—Fort Garry. I might remind the hon. member that would not put cash into the hands of the farmers right now.

We are interested in getting as much cash as we possibly can into the hands of the farmers right now and we ask the provinces to join us in that regard.

* * *

HEALTH

Mr. Ross Harvey (Edmonton East): Mr. Speaker, in the absence of the minister of health I would like to direct this question to the Minister of Consumer and Corporate Affairs.

Up to at least 1983 one of the most popular household and institutional cleansers in Canada, Lysol, relied on the Monsanto manufactured chemical, Santophen-1 as its active germicidal ingredient.

In the late 1970s Monsanto found and then suppressed evidence of the presence in Santophen-1 of up to 65 parts per billion—that is one thousand, seven hundred parts per trillion in Lysol itself, of 2,3,7,8-tetrachlorodibenzodioxin—TCDD, the most toxic form of dioxin known.

When did the government know, not suspect, but know of the presence of TCDD in Santophen-1 and, hence in Lysol, and what steps did it take once it knew?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I appreciate the hon. member's concern in this matter. He was courteous enough to send me notice of the question and I will try to answer it as best I can.

As the hon. member knows, dioxin is a generic term for about 70 members of a particular chemical family. He also knows that it was not until the late seventies or the early eighties that there were mechanisms to detect the presence of the particular contaminant that he is referring to, namely Santophen.

I can assure the hon. member that it was essentially through Agriculture Canada and Health and Welfare Canada that we were able to devise the methodology to detect this. I can advise him also that its use in Lysol was discontinued in the early 1980s, shortly after it was detected as being a contaminant and harmful. Therefore, it is no longer used in Lysol.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I am pleased that the Deputy Prime Minister was able to make such good use of the research with which I supplied him. He only got a couple of points wrong.

As Monsanto's Santophen-1 was only one of the brands of 2-benzyl-4-chlorophenol in Canada, and as Agriculture Canada lists 56 pest control products containing the chemical and none have been tested by the government for dioxin contamination, will the government now move quickly—not wait for its current review to report—to test all sources of 2-benzyl-4-chlorophenol available in Canada for contamination by TCDD?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I do not want to get involved in an argument with the hon. member but it is not 56. There may be 10 that have this contaminant, not 56. Those were grandfathered under the 1980 regime and they are being analysed further. When the results are known appropriate action will be taken.

I think the other contaminant he refers to is 2,3,7,8–TCDD. It has not been detected because it is in such minute quantities, that is less than one part per billion, that we do not have the mechanisms and the machinery to detect it. As it would be in so infinitesimally small quantities it would probably not be harmful.

* * *

MEECH LAKE ACCORD

Miss Deborah Grey (Beaver River): Mr. Speaker, in the absence of the Prime Minister I will direct my question to the Deputy Prime Minister.

It is reported that Premier Vander Zalm of British Columbia, in preparation for the Western Premiers' Conference, has apparently written to the Prime Minister asking for assurances that no attempt would be made to proclaim unilaterally parts of the Meech Lake Accord on the 7 and 50 basis if it fails to get approval of all 10 provinces by June 23.

Many Canadians are wondering the same thing. Will the Deputy Prime Minister, today, in his place, confirm that there is no intention of asking the Governor General to proclaim portions of the Meech Lake Accord on the 7 and 50 basis?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am sure the hon. member is aware that there is a process in place. The McKenna resolution was a subject of a parliamentary committee study. That report is being written right now. When the report is delivered and the recommendations are brought forth, the government will respond.

Miss Deborah Grey (Beaver River): I have a supplementary question, Mr. Speaker.

Many Canadians are concerned about the Prime Minister's response, saying that it is a seamless web and should be agreed to in that vein. If the Prime Minister is not prepared to give Premier Vander Zalm and Canadians in general the assurances that they seek about this matter, would they acknowledge that the only way, if such a case happens after the presentation of this committee report, for western provinces to prevent such a unilateral proclamation of parts of Meech Lake would be for one of the legislatures of the three most westerly provinces to rescind its resolution of the Meech Lake Accord?

Mr. Speaker: I have to point out that that is a hypothetical question. The minister may want to deal with it.

The hon. member for Cape Breton—The Sydneys.

* * *

GOODS AND SERVICES TAX

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Statistics Canada has cancelled its original intention to publish monthly the effect of the GST on inflation in Canada. This was accepted procedure to the Minister of Finance and the Department of Finance for three years.

Why this sudden change? Why will the Minister of Consumer and Corporate Affairs not admit that the reason this is being cancelled is that the government does not like the information which will go to the people and realizes that the GST will increase inflation by more than the 1.25 per cent that the Minister of Finance has predicted?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I would like to tell my friend that I have been responsible for Statistics Canada for the last two months.

Some hon. members: Hear, hear!

Mr. Bouchard (Roberval): I would like to say to my friend first of all that that question was asked by Mr. Hartt when he was Deputy Minister of Finance. He should know that Mr. Fellegi, who is the chief statistician for Statistics Canada, said that it would be unfair to say that we could provide that kind of information on a monthly basis. He also said that Statistics Canada will be able to provide a quarterly report dealing with that kind of question. Once again, I believe that Mr. Fellegi is well

known as being very competent and there is no reason to believe that he is wrong.

[*Translation*]

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the quarterly report will not provide the same information. The Prime Minister's chief of staff, Stanley Hart, was the first to ask in 1987 that the consumer price index be calculated without the indirect tax. Why is the government suddenly saying today that it is no longer possible to come up with that information?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I repeat what I said in English. First of all, Mr. Hart was then Deputy Minister of Finance, an excellent one I might add. Secondly, Statistics Canada regularly receives requests such as this one and assesses them according to its ability to provide the information wanted. Mr. Fellegi, chief statistician at Statistics Canada, was very clear. It is not possible to provide information on a potential difference between the actual inflation rate and that due in theory to the Goods and Services Tax on a monthly basis. However, this information can be provided on a quarterly basis, and that is what they will do. It will then be relevant.

* * *

• (1450)

[*English*]

HOUSING

Mr. Joe Fontana (London East): Mr. Speaker, my question is for the Deputy Prime Minister.

With interest rates over 14 per cent thousands of Canadians have been forced out of the housing market. Statistics show that the number of potential first-time home buyers has practically been cut in half. There are only 270,000 potential home buyers today compared to 475,000 two years ago when interest rates were 10 per cent and 11 per cent.

Why is this government shutting out Canadians from the dream of owning a home? Why are Canadians being forced to pay more than 34 per cent of their income toward housing? How much more proof does this government need before it realizes that interest rates are too high and must be reduced?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, in the absence of the Minister of State for Housing who is away on government business, I remind the hon. member that housing starts in this country over the last number of years have been running at about 220,000 to 230,000 units per year; far in excess of what we have experienced on average over the last number of years.

The projections now are about 199,000 units this year. That is somewhat of a drop from last year, but we feel that the housing market is still viable and very much alive and that there will be a fair number of starts, close to 200,000 this year, which is about the norm for Canada.

Mr. Joe Fontana (London East): Mr. Speaker, my supplementary question is for the same minister.

In the last three weeks this government has often talked about the importance of economic indicators. How many hundreds of thousands of Canadians will have to abandon the idea or dream of owning a home, how many Canadians will have to lose their homes, how many Canadians will have to lose their jobs, and how many companies will have to shut their doors before this government realizes that its interest rate policies are too high and must be reduced and that Crow must go?

Hon. John McDermid (Minister of State (Privatization and Regulatory Affairs)): Mr. Speaker, there were a lot of questions in that supplementary.

Mr. Milliken: Crow must go.

Mr. McDermid: I might say that the dream of owning a home in Canada is one that we of course support.

Mr. Axworthy (Winnipeg South Centre): Only a dream!

Mr. McDermid: We are very well housed in Canada, as the hon. member knows.

Second, the home builders who are talking about the high interest rates right now are the same ones who last year raised the price of an average home 17 per cent in the metro area. Inflation as we know was 5.9 per cent.

Realtors today will tell the hon. member, as they have told me and others, that the market right now is adjusting itself. The hon. member knows that it was overheated in his area as well as in my area. They will tell you that this is a watershed period of the market adjusting itself and quietening down. I have every confi-

dence that Canadians will be well housed today, tomorrow, and into the future.

* * *

SOCIAL PROGRAMS

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is for the Minister of State for Seniors.

Yesterday the Minister refused to admit that $4 million had been cut from the New Horizons program, although it is not clear that is what has happened. What this means is that over 500 really valuable and worthwhile projects for seniors across the country have been cut.

The minister will have the figures in front of her. Would she confirm that Saskatchewan's allocation is being cut by 35 per cent, from $750,050 to $488,943? Will she also confirm that the biggest cuts are to the poorest areas of the country—Prince Edward Island, Newfoundland, Yukon, and the Northwest Territories—where they were 38 per cent?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): As minister responsible for the programs to help Canadian seniors, I want to thank my colleague opposite for his interest in Canada's seniors.

I would just like to go back to yesterday's statement and remind him that in Table 29 of our Estimates, he can see that the budget allocation for the New Horizons Program is $15 million in 1990–91, the same as in 1989–90. So the program has not been cut.

And I would add, Mr. Speaker, that I find it shameful that the reputation of such an important program as New Horizons is being tarnished by playing on regional rivalry. The hon. member opposite knows very well that many government programs must be divided a certain way among the regions and we respect that when we evaluate programs like New Horizons.

[*English*]

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I take it this means that the $4 million has been put back into the New Horizons Program.

Could the minister make this quite clear to seniors and stop teasing them about the money that is involved in the New Horizons Program?

Also, could she undertake on behalf of the government not to cut seniors' programs, either secretly or otherwise, for the rest of this government's term?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I repeat, it is shameful to mislead people as the member is doing now.

We have about $35 million in our various programs for seniors. The budgets are the same as for 1989–90. I repeat, if we want sound management and to respect the needs of seniors which have evolved over the last ten years, we must evaluate the programs and that is what we are doing with New Horizons.

I am rather surprised that no reference is made to the increased funding for the Seniors' Independence Program this year. People talk about New Horizons but they should talk about the Seniors' Independence Program, whose budget will increase 20 per cent this year, compared to what was spent last year.

Some hon. members: Hear, hear.

* * *

FOREST INDUSTRY

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Industry, Science and Technology.

A number of factors currently affect Quebec's forest industry, including wood chips, Quebec's notorious Bill 150, and forest supply and management contracts. The result is that forest workers will be gainfully employed for only three to six months this year.

My question is this. The Quebec–Canada subsidiary forest development agreement expired last March 31. After his meeting of last week with Quebec Minister Rémillard, can the minister tell us whether the negoti-

ations with Quebec concerning phase II of this agreement have begun, with a view to coming to the assistance of forest workers?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, the regional forest development agreement did expire last March 31, as was the case in other provinces. We are indeed interested in the private forestry sector.

I had discussions with Mr. Rémillard of Quebec. We are to meet again in two weeks, Mr. Speaker, and I expect to be in a position to make concrete proposals to the Quebec government.

* * *

[*English*]

COMMUNICATIONS

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, last week the Minister of Communications lapsed into his Union Nationale glory days, suggesting that the CBC's 1968 national unity mandate had created today's divided Canada. Earlier his parliamentary secretary said that national unity mandates were the stuff of totalitarian regimes.

My question is for the Prime Minister. Given that he stated strong views and passionate commitment to national unity, will he attempt to direct his Minister of Communications to reverse his obstinate views and put national unity back into the CBC's mandate in the interest of peace, order and good government?

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I appreciate the opportunity to respond to the hon. member's question because she was among those who put her signature to Section 36 of the sixth report of the Standing Committee on Communications and Culture, which advocated the very change to which she now objects.

I would cite, as an authority, the distinguished new President of Czechoslovakia, Vaclar Havel who is an authority on such matters and who says that consciousness precedes being to think otherwise is to be a Marxist.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, that is really the most illogical, poorly stated, ridiculous statement I have ever heard from the hon. member.

I have to tell you, Mr. Speaker, that it takes a big person—

Mr. Milliken: Fuzzy-headed thinking, Jim.

Mr. Speaker: The hon. member will put her question.

• (1500)

Mrs. Finestone: I at least have the courage of my convictions and know when to change my mind when the circumstances in the country change.

Some hon. members: Hear, hear!

Mrs. Finestone: Mr. Speaker, because of our unique geography Canadians use communications more than any other country in the world to link us, to inform us and to unite us.

Does the Prime Minister agree that our CBC Radio and Television, with its extended infrastructure and through its programs, should continue to enable greater contact between Canadians across this vast land? Does he agree that national unity is an appropriate mandate and that otherwise he is sending a very dangerous message across this land?

Mr. Jim Edwards (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I do take the question very seriously. Of course unity is the objective which we all have in mind. But in order for there to be unity, there must first be some kind of knowledge of what the country is all about.

The hon. member knows that the standing committee found that there was a tremendous gap. There was a longitudinal lacuna of knowledge about this country from coast to coast. She knows that very well.

The standing committee report urged that the country's regional and language solitudes come together. Without fostering that sense of identity and without fostering that consciousness there can be no unity. The horse must come before the cart.

COMMENTS DURING QUESTION PERIOD

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, on a point of order, my good friend, the hon. member for Gander—Grand Falls, made a comment during Question Period referring to the motor cycle accident that I suffered. The hon. member just sent me a note offering to withdraw or apologize. I told the hon. member that he did not have to do that, that I took no offence at all.

I do not want members to take offence at the comment made by the hon. member. He did not mean it in a bad way. I invited that comment and I have no problem at all with it.

Some hon. members: Hear, hear!

Mr. Baker: Mr. Speaker, I made the comment in response to a statement that the minister had made. That is why I offered to withdraw the remark if the minister felt offended by it.

Some hon. members: Hear, hear!

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, on a point of order, in the course of answering a question the Deputy Prime Minister referred to the sage advice that was being offered by the member for Winnipeg—Fort Garry. Alas, there is no longer such an important influence in the House. The seat of Winnipeg—Fort Garry no longer exists.

However, I am gratified that the member is still looking for advice. As the member for Winnipeg South Centre I am quite prepared to continue offering all the constructive and thoughtful suggestions I have in the past.

However, I would say that in this case the minister is wrong. The advice he suggested I was offering was in fact coming from the western premiers and not from myself. I was simply their humble messenger in this House.

Mr. Speaker: The Chair is thankful for the advice from the hon. member that the seat remains the same but the name has changed.

GOVERNMENT ORDERS

[*Translation*]

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND—CONSIDERATION OF SENATE AMENDMENTS

The House resumed from Tuesday, May 8, consideration of the motion of Mrs. McDougall in relation to the amendments made by the Senate to Bill C-21, an Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act; and of the amendment of Mr. Fisher (p. 11109).

The Acting Speaker (Mrs. Champagne): It being 3 p.m, pursuant to the order made on Tuesday, May 8, 1990, the House will now proceed to the taking of the division on the amendment and the main motion in relation to amendments made by the Senate to Bill C-21, an Act to amend the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act.

The question is on the amendment in the name of the hon. member for Saskatoon—Dundurn (Mr. Fisher).

The Acting Speaker (Mrs. Champagne): Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Champagne): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Champagne): Call in the members.

The House divided on the motion (Mr. Fisher), which was negatived on the following division:

(*Division No. 254*)

YEAS

Members

Allmand	Althouse
Arseneault	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Black
Boudria	Butland
Callbeck	Campbell (South West Nova)
Catterall	Clancy
Crawford	de Jong
Dingwall	Dionne
Duhamel	Finestone
Fisher	Flis
Fontana	Foster
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Gray (Windsor West)	Grey (Beaver River)
Harb	Heap
Hunter	Jordan
Karpoff	Kilger (Stormont—Dundas)
Kilgour (Edmonton Southeast)	Kindy
Kristiansen	Langdon (Essex—Windsor)
Lapierre	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacLaren

MacLellan
Maheu
McCurdy
McLaughlin
Mills
Murphy
Pagtakhan
Peterson
Proud
Rideout
Robichaud
Skelly (Comox—Alberni)
Stewart
Taylor
Waddell
Whittaker
Young (Gloucester)
MacWilliam
Marleau
McGuire
Milliken
Mitchell
Nault
Parker
Phinney
Prud'homme
Riis
Simmons
Speller
Stupich
Vanclief
Walker
Wood
Young (Beaches—Woodbine)—82

NAYS

Members

Anderson
Atkinson
Bernier
Bjornson
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Cadieux
Champagne (Champlain)
Clifford
Cook
Corbeil
Couture
Crosby (Halifax West)
Darling
de Cotret
Dick
Duplessis
Epp
Feltham
Fontaine
Friesen
Greene
Gustafson
Harvey (Chicoutimi)
Holtmann
Hughes
Jelinek
Jourdenais
Koury
Larrivée
Leblanc (Longueuil)
Loiselle
MacKay
Martin (Lincoln)
Mazankowski
McDermid
McLean
Moore
O'Kurley
Plamondon
Pronovost
Richardson
Roy-Arcelin
Schneider
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Tétreault
Thompson
Tremblay (Rosemont)
Turner (Halton—Peel)
Vézina
Weiner
Wilbee
Andre
Belsher
Bertrand
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Cardiff
Clark (Yellowhead)
Cole
Cooper
Corbett
Crosbie (St. John's West)
Danis
DeBlois
Della Noce
Dorin
Edwards
Fee
Ferland
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Halliday
Hawkes
Horner
James
Johnson
Kempling
Langlois
Layton
Lewis
Lopez
Marin
Mayer
McCreath
McDougall (St. Paul's)
Monteith
Nicholson
Paproski
Porter
Ricard
Robitaille
Saint-Julien
Scott (Victoria—Haliburton)
Shields
Soetens
Stevenson
Thacker
Thorkelson
Tremblay (Québec-Est)
Van de Walle
Vincent
White
Worthy—112

• (1530)

The Acting Speaker (Mrs. Champagne): I declare the amendment lost.

The next question is on the main motion in the name of the Minister of Employment and Immigration (Mrs. McDougall).

The Acting Speaker (Mrs. Champagne): Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Champagne): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Champagne): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Champagne): May I dispense with the ringing of the bells?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): Does the hon. member for Ottawa—Vanier wish to raise a point of order?

Mr. Gauthier: Madam Speaker, I think you would have the unanimous consent of the House for applying the results of the previous vote to this motion, but in reverse, because we are against this bill.

[*English*]

The Acting Speaker (Mrs. Champagne): The hon. member for Edmonton East.

Mr. Harvey (Edmonton East): Madam Speaker, I was unavoidably detained by honest toil before the taking of the last vote.

I am present for this vote, however, and wish my vote recorded against the government motion.

The Acting Speaker (Mrs. Champagne): The House has heard the suggestion made by the hon. member for Ottawa—Vanier. Is there unanimous consent?

Some hon. members: Agreed.

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

(Division No. 255)

YEAS

Members

Anderson	Andre
Atkinson	Belsher
Bernier	Bertrand
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bouchard (Roberval)
Bouchard (Lac-Saint-Jean)	Bourgault
Boyer	Brightwell
Cadieux	Cardiff
Champagne (Champlain)	Clark (Yellowhead)
Clifford	Cole
Cook	Cooper
Corbeil	Corbett
Couture	Crosbie (St. John's West)
Crosby (Halifax West)	Danis
Darling	DeBlois
de Cotret	Della Noce
Dick	Dorin
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Friesen	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Halliday
Harvey (Chicoutimi)	Hawkes
Holtmann	Horner
Hughes	James
Jelinek	Johnson
Jourdenais	Kempling
Koury	Langlois
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Loiselle	Lopez
MacKay	Marin
Martin (Lincoln)	Mayer
Mazankowski	McCreath
McDermid	McDougall (St. Paul's)
McLean	Monteith
Moore	Nicholson
O'Kurley	Paproski
Plamondon	Porter
Pronovost	Ricard
Richardson	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Soetens
Sparrow	Stevenson
Tétreault	Thacker
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Turner (Halton—Peel)	Van de Walle
Vézina	Vincent
Weiner	White
Wilbee	Worthy—112

NAYS

Members

Allmand	Althouse
Arseneault	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Baker	Bélair
Bellemare	Black
Boudria	Butland
Callbeck	Campbell (South West Nova)
Catterall	Clancy
Crawford	de Jong
Dingwall	Dionne
Duhamel	Finestone
Fisher	Flis
Fontana	Foster
Fulton	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Gray (Windsor West)	Grey (Beaver River)
Harb	Harvey (Edmonton East)
Heap	Hunter
Jordan	Karpoff
Kilger (Stormont—Dundas)	Kilgour (Edmonton Southeast)
Kindy	Kristiansen
Langdon (Essex—Windsor)	Lapierre
LeBlanc (Cape Breton Highlands—Canso)	Lee
MacLaren	MacLellan
MacWilliam	Maheu
Marleau	McCurdy
McGuire	McLaughlin
Milliken	Mills
Mitchell	Murphy
Nault	Pagtakhan
Parker	Peterson
Phinney	Proud
Prud'homme	Rideout
Riis	Robichaud
Simmons	Skelly (Comox—Alberni)
Speller	Stewart
Stupich	Taylor
Vanclief	Waddell
Walker	Whittaker
Wood	Young (Gloucester)
Young (Beaches—Woodbine)—83	

The Acting Speaker (Mrs. Champagne): I declare the motion carried.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 45 petitions.

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

* * *

[*Translation*]

FORESTRY CANADA

TABLING OF 1988-89 ANNUAL REPORT

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Madam Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the 1988-89 Annual Report of Forestry Canada.

This is National Forest Week and I can assure you this is a wonderful year for forestry in Canada, since the proclamation of the Department of Forestry Act, which has given us, a full-fledged Department of Forestry.

* * *

BORROWING AUTHORITY ACT, 1990-91

REPORT OF LEGISLATIVE COMMITTEE

Mr. Guy Ricard (Laval): Madam Speaker, I have the honour to table in the House the Report of the Legislative Committee on Bill C-65, an Act to provide borrowing authority, without amendments.

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

* * *

[*English*]

PETITIONS

GOODS AND SERVICES TAX

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, pursuant to Standing Order 36 I rise today to present a petition signed by Canadians opposed to the goods and services tax. They ask Parliament to reject this tax.

These petitions have been circulated by citizens who are calling on taxpayers to join them at a rally on Parliament Hill on Saturday, May 12, at noon, to show that Canadians are opposed to the government's goods and services tax.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my pleasure to present a petition pursuant to Standing Order 36 regarding the government's proposed goods and services tax.

The petitioners from Kamloops, British Columbia, outline a whole list of concerns, including applying the tax to heating fuels, haircuts, diapers and, in particular, to reading material.

They are asking the government to come to its senses and simply stop proceeding with this tax.

LITHUANIAN INDEPENDENCE

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, pursuant to Standing Order 36, it is my duty and honour to table petitions on the subject of Lithuania and its independence.

I have here the signatures of over 20,000 people who state that because the people of Lithuania through their democratically elected Parliament have passed unanimously a declaration of independence from the Soviet Union; and whereas the Soviet Union has failed to recognize the validity of this resolution; and whereas the people of Lithuania require the assistance of the various governments in the world to support their desire for freedom and independence, the petitioners call upon Parliament to act upon the all-party resolution of March 12, 1990, and recognize and support the right of the Lithuanian people to declare the independence of the Republic of Lithuania.

• (1540)

VETERANS AFFAIRS

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, I have a second petition from veterans in my riding of Parkdale—High Park. These petitioners are complaining about the new measures in the last budget creating hardships for veterans because the money allotted for services will be denied to these veterans.

[*Translation*]

GOODS AND SERVICES TAX

Mr. Mac Harb (Ottawa Centre): Madam Speaker, pursuant to Standing Order 36, I rise in the House today to present a petition signed by Canadians who are opposed to the goods and services tax.

These petitions were circulated by residents asking taxpayers to join them in a demonstration on Parliament Hill on Saturday, May 12, at noon, to show that Canadians are opposed to the goods and services tax proposed by this government.

[*English*]

Miss Deborah Grey (Beaver River): Madam Speaker, pursuant to Standing Order 36, I also rise today to present a petition signed by Canadians opposed to the goods and services tax. These petitioners are followers of a group called Tax Busters, and they are very concerned that the Canadian government does not need more money from the taxpayers. It needs conscientious, responsible representatives to diligently manage the money it already gets in taxes.

These petitions have been circulated by citizens who are calling on taxpayers to join them at a rally on Parliament Hill this Saturday, May 12, at noon, to show that Canadians are still opposed to the government's goods and services tax.

LOW-LEVEL FLIGHTS

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, it is my pleasure today to rise under Standing Order 36 and present a petition on the government's low-level flight training in Canada.

The petitioners from various parts of the lower mainland in my province of British Columbia ask Parliament to demand that the Canadian government end all NATO-NORAD low-level flight training in Canada and oppose the establishment of NATO operations in Canada, including the proposed tactical fighter and weapons training centre at Goose Bay, Labrador. They ask that the government redirect Canada's NATO and NORAD funding toward enabling Canada's aboriginal peoples to regain control of their lands and livelihood, and toward promoting sustainable development for all Canadians.

GOODS AND SERVICES TAX

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, I have a further petition containing 357 names from throughout the riding of Okanagan—Similkameen—Merritt, which names I would like to add to the thousands of names on petitions I have now presented to the House.

The people of various places within my riding including Grand Forks, Oliver, Greenwood, Midway and others, will simply not be tricked by this government dropping the rate from 9 per cent to 7 per cent or pushing through the goods and services tax. They are asking this government to bring in a proposal of tax reform that will, in fact, address fairness in all taxation.

Mr. Sid Parker (Kootenay East): Madam Speaker, pursuant to Standing Order 36 I rise to present a petition signed by Canadians opposed to the goods and services tax, along with the thousands of petitions I have presented from Kootenay East. These are petitions mainly signed in Ontario.

These petitions were circulated by citizens who are calling on taxpayers to join with them at a rally on Parliament Hill on Saturday, May 12, at noon, to show that Canadians are opposed to the goods and services tax and want the tax stopped.

VETERANS AFFAIRS

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to present a petition signed by numerous residents of Kingston and the Islands who are opposed to the proposal in the government's recent budget to slash the benefits to Canada's veterans. They call upon Parliament to reject any cuts to veterans' services in Canada.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Champagne): Shall all questions be allowed to stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Madam Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Acting Speaker (Mrs. Champagne): Shall all Notices of Motions for the Production of Papers be allowed to stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

AGRICULTURAL ECONOMY

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I have provided you with notice today under the provisions of Standing Order 52 requesting a debate on a matter of urgent and pressing concern.

As a member of a farm constituency I have witnessed the farm financial crisis first-hand. I have a large number of people who are communicating with me weekly on this issue.

As you are aware, Madam Speaker, on two occasions in the last two weeks members of the New Democratic Party have risen to request an emergency debate on the farm financial crisis in western Canada.

As you are also aware, Madam Speaker, this week the premiers of the western provinces who met in Portage La Prairie, Manitoba, called unanimously for lower interest rates in this country, as well as for the release of federal funds earmarked for the farm community. They said that they could not match dollar for dollar the programs that the federal government was asking them to match.

The provinces in clarifying their views on this matter sent a message to this House indicating that there appears to be little room left for negotiation and that possibly the federal government may have to act unilaterally.

I believe it is incumbent upon Parliament to express its views to this government as quickly as possible to ensure that this government has adequate information from the members of this House to make the point to act unilaterally and possibly to release the funds as the provinces are now asking it to do.

SPEAKER'S RULING

The Acting Speaker (Mrs. Champagne): I want to thank the hon. member for The Battlefords—Meadow Lake for his thoughtful note and for the remarks that he just made.

Coming from a farm community in the east of the country, I am quite aware of the situation.

We have studied the hon. member's request very seriously. Notwithstanding the importance of the subject, we do not feel that at this time we should grant leave for a special debate.

GOVERNMENT ORDERS

[*English*]

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

Hon. Gerry Weiner (Secretary of State of Canada and Minister of State (Multiculturalism and Citizenship)) moved that Bill C–37, an act to establish the Canadian Heritage Languages Institute, be read the second time and referred to a legislative committee.

He said: Madam Speaker, it is with much pride that I open debate today on Bill C–37, an act to establish the Canadian Heritage Languages Institute.

Similar legislation, Bill C–152, was introduced in the last session of Parliament. At that time it was referred to a committee of the House for detailed examination and recommendations.

Those recommendations, and the helpful suggestions of many of my colleagues, are reflected in the bill we are considering today.

This legislation adds further substance to the multiculturalism policies of this government and to the strong commitments we have made to multiculturalism in Canada.

[*Translation*]

Madam Speaker, when the Canadian Multiculturalism Act came into force on July 21, 1988, it received the unanimous approval of all members of the House of Commons.

The Canadian Multiculturalism Act is a promise, a commitment made by the government on behalf of the Canadian people to this country's future.

The bill introduced in the House today is an integral part of this promise and reflects the hope and optimism contained in the Canadian Multiculturalism Act.

[*English*]

Section 3, subsection (1)(i) of that act clearly states the policy of the Government of Canada to preserve and enhance the use of languages other than English and French, while strengthening the status and use of the official languages of Canada.

• (1550)

I am proud to remind my colleagues of this government's commitment to official languages. They are the essential vehicles for our communication and progress as a people. We have strengthened the Official Languages Act. As Secretary of State, I continue to work with the provinces and community organizations to promote official languages throughout the country.

This bill, to establish the Canadian Heritage Languages Institute, gives substance to the spirit of our multiculturalism policy. It matches visionary ideals with concrete initiatives. As outlined in Bill C–37, the Canadian Heritage Languages Institute will facilitate the

acquisition, retention and use of all languages that contribute to Canada's multicultural identity.

[*Translation*]

Today, more than 70 languages are spoken in Canada. Some of them are native languages and were used well before the arrival of the Europeans in this country. Native languages are a very special part of Canada's linguistic heritage.

[*English*]

For this reason, I would draw the attention of all members of the House to the explicit reference to aboriginal languages in this legislation. I should note that this was an amendment to Bill C–152 proposed by members of both opposition parties, which I am glad to accept. I should also point out that the inclusion of aboriginal languages in the Heritage Languages Institute does not preclude native Canadians from pursuing the establishment of an aboriginal languages institute.

[*Translation*]

Other heritage languages were brought here by people from all over the world, people who decided to make Canada their adopted country.

Wherever you go in Canada, you will hear people communicating in languages other than French and English. Those languages are present all around us. They are a tangible and vibrant expression of Canada's cultural diversity.

[*English*]

Language is more than spoken words or a system of communication. It is the product of a community's past history. It is an important vehicle to transmit the culture of a community and its values to future generations.

Heritage languages enrich family life. When I was a young boy my only way of communicating with my grandparents was to speak Yiddish. I still am able to understand it and speak it quite well. At an appropriate time I might even introduce some of it into the debate.

Mrs. Maheu: How about now?

[*Editor's Note: Minister spoke in Yiddish.*]

[*English*]

Mr. Belsher: Translate it for us.

Mr. Weiner: I will leave that for the record.

Without that third language, which I had learned at home, a whole world of eastern European culture would have been lost to me and, in later years, to my own children. Even more important it was a way of making contact, of reaching out to loved ones and of sharing the warmth and richness of family history.

In travelling the world and meeting family that I had never met before, some of them spoke Spanish, others spoke Romanian, others spoke Hebrew as their first language, but somehow, with Yiddish I was able to communicate and to have a better understanding of the family relationship. This was a way that the language of my heritage was very important to me in helping me understand my family roots. I know it is so for all other cultural communities.

[*Translation*]

Heritage languages are also a major economic resource. They are a tool that we can use when doing business at the international level, or in peacekeeping missions or educational exchanges. They revitalize our tourist industry by making it possible for us to welcome visitors to Canada in their own language. They are also an invaluable asset in multicultural publishing and broadcasting, on trips around the world and in academic circles. In all these fields, heritage languages serve our national interest and promote multiculturalism.

[*English*]

Our multiculturalism gives us an edge. It takes us beyond our homes and into the global market-place. If our trade delegations include people familiar with the languages, the values and the ways of doing business in other countries, then we have a competitive advantage.

The proposed Canadian Heritage Languages Institute will provide a new kind of support mechanism for the learning of ancestral languages.

In Canada today many languages are taught, both within and outside the regular public school system. In fact, we know that many provincial education systems have been expanding their activities in this field.

In the prairies, provincial governments support three types of heritage language learning: courses in which heritage languages are the medium of instruction, a variety of core second language courses, and community based classes. More than 41,000 children are involved in these programs. Almost 25,000 children in Quebec are also learning their heritage languages both within and outside the public school system with considerable provincial support. In British Columbia the provincial government has recently announced some funding for heritage language classes in addition to second language programs currently being offered.

In 1988–89 the province of Ontario had about 100,000 children enrolled in heritage language programs. These children were instructed in one of the 62 languages taught in Ontario. As a result of new legislation enacted in July 1988, these numbers are expected to increase considerably. The new Ontario policy requires that all school boards provide heritage language instruction of up to two and a half hours each week, when requested by the parents of 25 or more students within the board's jurisdiction.

These developments positively reflect earlier research in this area indicating the preference of many Canadians to have their children receive heritage language instruction as an integral part of the public school system. The teaching of heritage languages in regular schools ensures that they are indeed part of mainstream education activities, as they should be.

The growing importance that Canadians attach to the acquisition and maintenance of ancestral languages led my predecessor, the Honourable David Crombie, to consider the establishment of a Heritage Languages Institute.

He asked two eminent Canadians, Dr. Henry Kreisel of the University of Alberta and Dr. Michael S. Batts of the University of British Columbia, to advise on the establishment of an institute.

[*Translation*]

After much consultation across the country, these specialists discovered that the teachers in heritage language classes had little or no teacher training. They observed that they especially needed to know the various teaching methods. They also need access to Canadian material so that students can learn in a Canadian context.

[*English*]

In their research the professors found that heritage language teaching is often carried out in isolation and that teachers, even within the same language group, have little contact with each other. They discovered that there is an urgent need for networking. They recommended greater dissemination and sharing of information and resources between regions in the provinces and between the provinces. I am honoured today to open debate on legislation which will make these recommendations into law. What this legislation provides is an ambitious and challenging mandate, a mandate with one central purpose: namely, to provide a national focus for the teaching of heritage languages.

• (1600)

The institute will bring experts from across Canada together and direct them to the different priorities in various parts of the country. In this way, all available Canadian expertise and resources will be shared to find creative solutions to community needs. The Canadian Heritage Languages Institute will reach out to the educational and cultural communities, to the business community and to all levels of government. It will be an institution without walls, operating as a co-ordinator and a central contact point for the major areas of activity set out in its mandate: promotion, information exchange, teaching skills, materials development, networking and research.

The government believes that heritage languages are a major national resource. We believe they can best be preserved by a partnership that unites the federal and provincial governments, community groups, institutions and individuals.

As with any institution, there are financial considerations. The Canadian Heritage Languages Institute will be federally incorporated as a charitable organization. The status will give it much wider fund raising possibilities than would otherwise be possible.

[*Translation*]

The Institute will begin its work on a solid financial base. The federal government plans to give it a capital fund of some $800,000 for the current fiscal year and the next four fiscal years. Moreover, the Institute will receive $500,000 a year for its operating expenses in these five years.

Madam Speaker, this bill before us today is based on our past achievements and is also forward-looking. This legislation recognizes the importance of preserving and respecting our many cultures and languages. We thus enrich the life of Canadian society.

[*English*]

When we passed the Canadian Multiculturalism Act, this country told the nations of the world that we value our multicultural identity. We consider it an invaluable asset in strengthening Canada and in making this country a better, fairer place in which to live, a nation where all Canadians, of all origins, have an equal and fair chance to contribute to the process of our nation building.

The Canadian Heritage Languages Institute will be in keeping with this proud and visionary tradition. It will serve as a point of intersection, a crossroads, linking our many cultural communities to their own vast potential within Canadian society.

We are a people who understand what progress means and how to achieve it in real terms. There are opportunities today and every day to make progress happen, to foster a society that has fairness, equality and understanding at its foundation: a nation spurred on by a spirit of competition and committed to the cause of human rights around the world. We have made impressive inroads to date, but we know even greater opportunities lie ahead. This kind of Canada can be our generation's legacy to the children of today and tomorrow.

The Canadian Heritage Languages Institute bill is one step, but a vital one, toward a more progressive Canada for all of our citizens. It is my hope that the House will give this legislation rapid passage so that the institute can assume its rightful place as a signpost of a modern Canada, and as a sign of hope for the next generation.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I welcome the opportunity today to speak to Bill C-37, an Act to establish the Canadian Heritage Languages Institute.

The concept of legislating support for the teaching of heritage languages is not really new in this country. At the turn of the century, when the Prairies were settled, large numbers of immigrants who spoke neither English nor French were attracted partly by the promise that their children would receive instruction in their mother tongue. At first, arrangements were made to provide for this, but towards the end of the settlement period, these provisions were withdrawn.

Sociologist Evelyn Kallen recently raised this question, saying that Canada's commitment to multiculturalism would be neither genuine nor realistic until heritage language rights were guaranteed under the Constitution. Without proposing to grant official status to heritage languages, she replied that if we are truly to respect our ethnic diversity, we must guarantee access to education in the language of choice.

A research study by Reitz, *The Survival of Ethnic Groups*, shows us that preserving its heritage language is more important for an ethnic group's identity and interaction than membership in an ethnic church or living in an ethnic neighbourhood or even marrying within the ethnic group. The conclusion is that the emphasis placed on language in our cultural policy by official and other language groups is, by and large, justified.

For all these reasons, I certainly agree with the principle of creating a Canadian heritage languages institute, but—there is always a but—I have serious reservations about the commitment of this government.

[*English*]

Madam Speaker, I would like to highlight what the Canadian Heritage Languages Institute's goals are so everyone can have a clear understanding of the proposed bill.

They are: one, to promote and develop the field of heritage language learning in Canada; two, to undertake public education, develop and disseminate Canadian-oriented learning materials, assist in the development of programs to improve standards of heritage language instruction and carry out research activities of importance to heritage language learning in general; three, to be located in Edmonton and work closely with organizations, individuals and groups from across the country. It is to consult with community-based organizations, educational institutions and the provincial territorial governments to ensure that all who are concerned with heritage

language learning benefit from the activities of the institute.

It should be managed by a board of directors appointed by the Governor in Council on the recommendation of the minister following consultation with appropriate government institutions, organizations and individuals. It will receive $6.5 million over five years from the department, part of which will establish an endowment fund to ensure its continued operation. It will be a charitable foundation which can receive financial support from the private sector and community sources and as well, from provincial and territorial governments. It will present an annual report of its activities to the minister for tabling in Parliament which will include financial statements and an auditor's report.

It will be evaluated by the minister in consultation with the board following anniversaries of the passage of the Canadian Heritage Languages Institute Bill. These are very impressive goals. Let us look at them a little closer.

• (1610)

[*Translation*]

Madam Speaker, how can a government that claims to listen to Canadians on the one hand have a goal of consulting them and on the other turn a deaf ear to the requests made by the organizations consulted?

The 1990 Budget showed us how important the Conservative government thinks multiculturalism is. We saw that while it talks about its commitment to heritage languages through the creation of an institute, in one stroke it cuts the very necessary funds for the schools that teach these same languages.

That is a strange way to implement objectives 1, 3 and 4, involving education, co-operation and promotion of heritage language teaching.

But maybe I misunderstood. Perhaps the objectives will only be taken into consideration once the bill is passed and for now, they are to be ignored.

Madam Speaker, the Conservative government says that it wants to help community organizations so that they can benefit from the activities of the Institute. Could the Minister of State for Multiculturalism and Citizenship explain to me how these organizations can benefit from the Institute's activities if they first have to close down owing to his government's lack of commitment?

Canada is now going through a national identity crisis and this is the time the Conservative government has chosen to cut the funds for schools that teach heritage languages, nearly 1,500 schools affecting over 150,000 children and 5,000 teachers!

Madam Speaker, when I asked the minister in March why it was necessary to cut the funds, which seemed to me and still seems to me to be contrary to his policy, he answered, "Times are tough". However, going back to objective 6 of Bill C-37, we see that the Institute will receive $6.5 million. Would it not have been possible to decrease the Institute's funds a little in order to gradually reduce, instead of drastically cut, the funds for schools that teach heritage languages, thus giving them time to get back on their feet?

[*English*]

Madam Speaker, the cuts to heritage languages do affect unity, whatever the minister might say. We sell Canada as being a mosaic as opposed to a melting pot. The Conservative government, by oh so subtly denying individuals from belonging to their ethnic group through culture and language, does not permit these individuals to feel a part of this mosaic. Language training is essential in understanding the importance of culture, and maybe immigrant groups would have a better understanding of the French fact in Canada having had to work hard to maintain their own language.

[*Translation*]

Madam Speaker, promoting the establishement of chairs in multicultural studies in Canadian universities is to be commended. One cannot deny the importance of discovering the expression of ancestral cultures through literature, the performing arts and the plastic arts. All this is wonderful but far removed from the day-to-day teaching of heritage languages in some remote corner of Canada.

Why is this government cutting funds by $4.1 million, an amount that heritage language schools need to survive. Where did it find $14 million so that adults could get language training? Doesn't this government have strange priorities? I guess as long as it looks good and pays dividends—

The government is unable to find $4.1 million to maintain a long-standing heritage language teaching program, but has no problem spending $14 million on classes for business people. Would it be an investment in the next election?

Madam Speaker, I want to be perfectly clear. I am not against business people learning another language, far from it. But I am against using budget cuts as an excuse to withdraw $4.1 million, when both amounts are spent on non official language classes. Where is the logic in this?

[*English*]

In the news release of the Minister of State for Multicultural and Citizenship of September, 1989, the minister said, and I quote:

> The need for this Institute is stronger than ever because enrolment in heritage language classes is greater than ever. Our figures show that there are 129,000 students enrolled in 1,557 supplementary heritage schools across the country studying 60 languages.

The news release continues by specifying that these schools run classes outside the public school systems with as many students enjoying heritage language instruction offered under the aegis of the provincial ministries of education. Then, there is this specification which states: "All of these students should benefit from the activities the Institute is expected to undertake".

I would like to minister to tell us what happened between September, 1989 and budget day. Since when did the term "all" mean "half"? And, if one of the reasons justifying the creation of an institute was the number of students enrolled in programs. Why were the funds cut?

[*Translation*]

Madam Speaker, establishing such an institute will help us enhance the professional skills of heritage language teachers, but no attempt should be made to play the role of universities or provincial governments. Until further notice, education falls under provincial jurisdiction.

Another role of the Institute will be to prepare didactic documents of Canadian content, and this has to be done through consultation with and consideration for communities as such, and not only the intelligentsia. These documents will reflect the Canadian reality to the extent that they relate to actual endeavours and past educational experiences. This will be one way to find out whether the Conservative government is serious, for to this day it has yet to demonstrate real interest in the survival of heritage languages and cultures.

The second aspect of the Institute's mandate will be to undertake extensive research into the learning of heritage languages in general. Again we will have to keep a close watch to ensure that the trend is not to publish papers which will end up gathering dust on the shelf.

It is far too easy to get sidetracked in research and write about lofty theories which are of no use to anyone. We in the opposition will see to it that any research undertaken is directly related to the teaching of heritage languages and that, above all, it is likely to improve the short- and long-term situation. Since the Institute is intended to be a tool for teachers, it will be up to us to make sure that it is and remains so.

[*English*]

Consultation seems to be a key element in the *raison d'être* of the institute. If this is the case, why are aboriginal groups included in multiculturalism? Their view of multiculturalism is one that excludes aboriginal groups. They consider themselves as first people, and rightly so. Were they not consulted? Were they not heard? Or, were they not listened to?

The Conservative government said that it wished to promote heritage languages to enhance the Canadian mosaic. But, at the same time, it is ironic that in the 1990 budget cuts aboriginal people were hit so hard by the Secretary of State, that the Native Communications Program of $3.4 million was cut. It provided funding for 15 native language newspapers. They provided opportunities for work experience and enhancement of aboriginal literacy. These cuts dealt a severe blow to those seeking to preserve and promote aboriginal cultures. The natives provided funding to the Inuit Broadcasting Corporation and will affect 95 per cent of all the Inuit who watch its programming. Again, this corporation provided for the opportunity for cultural retention. Is this how the government promotes language and culture?

• (1620)

[*Translation*]

Madam Speaker, how can anyone trust a government that acts this way? A government that claims to promote Canadian multiculturalism and in the same breath destroys the bases of these cultures. Whether one closes down a newspaper, reduces funds to a radio station or cuts grants to schools for teaching heritage languages, the results are the same: denigration, destruction, and increased tensions and prejudices.

How can the Minister of State claim to be interested in the Canadian mosaic when he cannot convince his own party that it is important? How can he accept a $4.1 million cut-back in language teaching while the Minister for International Trade gets $14 million for the same reason but not for the same clients?

Madam Speaker, if we want a strong Canada, we must invest in its multicultural heritage. It is important for everyone to feel that he or she has a place in our society and cutting funding is not the way to achieve it. If the conservative government really wants to promote the Canadian mosaic in concretely and not only in theory, it must act without calculating to the penny how much its measures will bring in.

In these times of political and economical questionning, tensions build up and we look for scapegoats. We must act now! We must stop giving differences a negative value and find their plusses.

The conservative government doesn't seem to realize the importance of heritage languages in the preservation of cultures, pride and dignity. It is only when we are able to respect others with their differences that they will respect us and that we are going to build a strong Canada.

Madam Speaker, the creation of the Canadian Heritage Languages Institute could very well be a step in the right direction. I say "could" because there is a long way to go from the project to its realization. That is why we, of the Official Opposition, intend to keep an eye on the government so that, as the minister promised in September 1989, the Institute will have positive impact as much on complementary schools that will have new financial needs as on public schools. If the government really believes in the Canadian mosaic, now is the time to prove it.

[*English*]

BUSINESS OF THE HOUSE

Mr. Andre: Madam Speaker, I would take this opportunity to indicate that tomorrow will be an allotted day for the purpose of supply.

* * *

CANADIAN HERITAGE LANGUAGES INSTITUTE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Weiner that Bill C-37, an act to establish the Canadian Heritage Languages Institute, be read the second time and referred to a legislative committee.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I am pleased to speak to this bill, Bill C-37, an act to establish a Canadian Heritage Languages Institute for western Canada. I think it is very much needed in many respects. However, I will say at the beginning that we have some very strong reservations related to the priorities represented in this bill.

As the minister indicated earlier, this was introduced as Bill C-152 in the last Parliament. I noticed, in looking over the previous bill, that there were some amendments that I assume were made in committee, including the emphasis on the promotion of heritage languages. I noticed the addition of "and their benefit to Canada." I think that is a very important point.

Before I get into the bill itself, I would like to mention something for the benefit of certain Canadians. I can imagine some of them in Vancouver East at this moment who might cynically say: "Why do we need to be putting money into heritage language classes and a heritage language institute? Why is this important when we are short of funds? Why should we not be teaching just English or French as a second language to the many immigrants who are coming to Canada? They need this in order to adjust, become part of our society, get employment, and so on."

I agree that teaching English or French as a second language is the important language responsibility of the federal government. It is a first priority so that people can become part of Canadian society and adjust very quickly.

However, the purpose of this bill, and heritage language training generally, is very definitely a Canadian purpose. Let us make no mistake about that. That purpose and the goal is to enrich the multicultural heritage of Canada and Canadian citizens, both those whose parents and grandparents came from another country and those who were born in Canada of English or French heritage who may also want to study heritage languages.

In Canada, heritage languages are treated as ancillary languages, supplementary to either English or French which all Canadians should speak. In many cases, we know that it is the children and grandchildren of immigrants who go to classes on Saturdays or in the evenings. They do it as a part-time activity. We think that heritage languages are very important, particularly to immigrant families, as an enrichment and to promote family unity.

Many of the children in my riding would not be able to communicate with their grandparents, as the minister indicated in his experience, unless they were able to learn the language of the grandparents. If they do not know it when they become teenagers, there is a greater risk than ever of both poor communications and a division of cultural attitudes.

Getting back to this bill, the purpose of the proposed Canadian Heritage Languages Institute was outlined by the minister today. Also, as my hon. colleague from the Liberal side has just mentioned, it was outlined by the minister last September. As she has mentioned, it is very important to look back at that statement because it was said in a different context.

The press release reads:

> The Institute, whose objective will be to encourage the preservation and use of heritage languages throughout Canada, will be located in Edmonton—It will not, however, be a location where people will go to attend classes.

A lot of people have asked about this.

> Institute activities will focus on national teacher training and program development, the production of Canadian-oriented learning materials, public education and research into all aspects of Canada's heritage languages.

The press release goes on with regard to funding. I am repeating what the member just said, but it is very important. The press release continues:

> "The need for this Institute is stronger than ever, because enrolment in heritage language classes is greater than ever," said Mr. Weiner.
>
> "Our figures show that there are currently 129,000 students enrolled in 1,557 supplementary heritage language schools across the country studying 60 languages," he added.
>
> These schools run classes outside the public school systems; there are as many students again enjoying heritage language instruction offered under the aegis of the provincial ministries of education. All these students should benefit from the activities the institute is expected to undertake.

It was a very important statement by the minister last September. He is definitely saying—I believe he was right—that the reason we need an institute is to service the front-line, community heritage language classes in 60, 70 or 80 different languages. Parents are sending their children to those classes and some adults are going as well. Their teachers can benefit from the resources that an institute would provide. However, if there are only "x" number of dollars and you have to choose a priority, which is going to be your priority? The front line classes to teach heritage languages, or this fancy academic institute in Edmonton?

• (1630)

It is pretty clear that the $4.1 million the government took out of heritage language classes in communities is a first priority. If we do support this bill, it will be with that in mind, that the funding for those classes must be reinstated.

It is quite irrational to think that we would be proposing to spend over $7 million, if my arithmetic is correct, over five years for this new institute, if we are refusing to fund a very small amount per class to the community classes which this institute is to serve. I will come back to that point.

We originally did support this bill to establish a heritage language institute in western Canada. We felt that this would balance similar services that are now available in Ontario and Quebec. We do not object to it being in Edmonton because we know that the Tory members in Edmonton need a lot of political support these days. We will support it being in Edmonton, provided that there are decentralized services available in all four western provinces and in the major centres where there are a great many of the heritage language classes. This is very important.

In the briefing that we had from the minister's staff, we were told that there would be outreach and there would be resources that would be decentralized. But there is nothing in the bill to indicate that. That is something we should be looking at in committee.

As has already been said, the institute would provide resources and training for teachers and students and improve the Canadian content in textbooks and resources. That is a very important point. I have had complaints from people who are studying Cantonese and Mandarin. The Library of Canada and many of the local libraries only have books from Taiwan. Of course, many of them, both from the point of view of the culture and also politically, do not accept that these books should be produced in Taiwan. Canadian materials would make much greater sense.

The institute would also help to improve teaching skills, provide research and so on.

I would hope that in a western institute located in Edmonton it would stress the most common languages in the heritage of western Canadians. In this way, it may be very different than the eastern institutes. Again, I will use Vancouver East as an example because it is such a multicultural community. Cantonese, Mandarin, Korean, Vietnamese, Punjabi, Hindi, Japanese, as well as Italian and Portuguese are the languages that the families in my riding need and that I would hope would be stressed in resources from the institute.

We also agree with the method of financing provided in this bill which provides an investment of capital funds, $800,000 per year, the interest to be used for operational purposes in developing programs and a further $500,000 for operating costs. That is a sensible way to do it. This would be a charitable organization which could raise funds additionally in the private sector and from individuals.

Now I come back to the crucial point of our criticism of this bill. We approved this institute prior to the recent budget. As I stated earlier, the minister had related it to local community programs last September. We felt that it was an important resource that should be funded.

However, the recent budget and the devastating impact that it has had on frontline heritage language classes in local communities is quite unacceptable. The complete federal funding of over $4.1 million has been withdrawn from such programs with very little warning. This has undermined classes right across Canada. I was in Saskatoon not too long ago when this was announced. They were quite unsure of what to do. They were having to lay off teachers and close down classes. In their case, it was the total multi-language institute that they have in their own community that was threatened.

The teachers in these classes are not paid very much, and they should be paid more. They are dedicated people, usually immigrants themselves. Parents help out with the maintenance in the centres. The facilities are quite often donated so rents are not high. We are not talking about a lot of money for the number of children and the classes provided. The government must simply reconsider and reinstate funding for these community classes.

I mentioned earlier that the government has also taken money from ESL classes when they cancelled the CILT program. One wonders if the money from these two combined programs, heritage language classes and CILT are what is going into this new institute. If so, that is something that we cannot support.

The community languages classes are an integral tool of multiculturalism. The minister has stated this. They promote family unity and a real appreciation of ethnic culture. Someone once said that to eliminate language is to eliminate culture, because we transmit cultures through language.

The federal government's withdrawal of funding for community classes contradicts the minister's statement which he made and the statements he made today praising this bill. Yesterday in committee I asked the minister to give us the rationale for cutting the funding for heritage language programs in local communities. The minister said that he felt that classes could manage very well without federal funds. I know that for the classes in my community, this is not true at all. Many parents are working very hard. They have several children going to these classes. They quite often work for minimum wages, or they have a small business that they are struggling to survive in and they simply cannot afford to pay the full cost of classes.

The minister said that personally he could afford to pay for the language training he had. Well, perhaps that

is true in his case, but it is certainly not true for many families across this nation. It is very unfair to say that.

He also said that heritage language training should not be trivialized. I could not quite understand what he meant by that. Perhaps the minister would explain later what he meant by that. Heritage language should not be trivialized and therefore cutting funds somehow is trivializing heritage languages. It did not make any sense.

According to the Canadian Ethnocultural Council and the Canadian Coalition on Multiculturalism, recent figures show that there are 150,000 young Canadians learning 60 languages in 1,556 community schools across Canada. That means that thousands of teachers are also involved in these programs.

What a rich heritage this represents for all of us, not just for the people who are enrolled in those classes. It is an investment in our future. I am sure that the minister of trade has recognized that learning languages, particularly those of the Pacific Rim, will be very valuable economic assets and very essential to our international relations and trade. The best time to teach these languages is when children are young. We know from our experience with French and English teaching that it is far more effective at that stage. It is a small investment for such great benefits.

I have visited many heritage language schools in my riding and in other communities. I know how hard they are working and what an excellent service they are providing. We must have those funds reinstated, as I said before.

It seems most contradictory that the federal government would be willing to pay $7.5 million over five years to establish a heritage language institute as a resource centre for these community classes, when the community classes themselves are not going to be able to continue in many cases, or are certainly not going to be able to use sophisticated resources because they will probably have volunteer teachers.

• (1640)

The teaching of heritage languages is a fundamental aspect of multicultural policy in Canada. The Canadian Ethnocultural Council states that: "Federal funding cuts are a back tracking on the commitments that were made in sections 5.1(f) and section 5.1(e) and 5.1(h) of the Canadian Multicultural Act".

These are the sections that deal with heritage languages and heritage cultures.

The CEC also states that this contradicts the government's intention to improve Canada's international competitive position, as fluency in the world's languages gives us an edge in trade development.

One cannot help but be mystified as to why the government is giving $14 million to the minister of trade to teach Canadian business people Asian languages in order to enhance their trading abilities, and it cannot even give $4 million of that amount of money—take it from the minister of trade, we do not care—for frontline classes that are a far more effective and economical way of teaching Asian languages.

The Canadian Coalition on Multiculturalism that was here a number of weeks ago also has taken a very strong position. This group represents some seven million Canadians in the Canadian Jewish Congress, the Canadian Polish Congress, Chinese Canadian National Council, the Federation of Korean Associations, German Canadian Congress, Hellenic Canadian Congress, the National Congress of Italian Canadians, the Ukrainian Canadian Canadian Committee and the United Council of Filipino Associations.

I met with these people and I know they tried to meet with the minister. I hope they did. They are absolutely furious and insulted that the government would take $4.1 million from the cultural enrichment programs, which are the language programs that their associations support for their communities. They give the statistics again of how many children this involves.

They are opposed to these regressive and ill-conceived measures. The coalition is composed of nine national organizations which represent some seven million Canadians. They state:

> We realize that we must all contribute to the reduction of the national deficit. But this should not occur at the expense of the equality of cultures nor should it be used as a means to do away with multiculturalism. The people of Canada would be better served if there were as strong a commitment to multiculturalism as there apparently is to maintaining the public image of federal Ministers. In fact, each Minister's personal operational budget in this fiscal year will increase by 16 per cent—

That is an interesting figure the Canadian Coalition gives us.

They deplore the government's action and urge that this be corrected by the immediate reinstatement of cultural enrichment programs. And so do we.

Another matter which concerns us very much is the aboriginal people of Canada. In the definition of heritage language it includes the languages of aboriginal people of Canada. This is an error that must be corrected. The aboriginal people do not want to be included in any of the multicultural programs. They are the original first nations of Canada, of this nation, and their languages are unique throughout the world. They are unique Canadian indigenous languages. They are not imported languages. There are some 53 languages and I was told that only three of those are languages that are not threatened. Therefore, it is probably even more important that aboriginal people have an institute to fund, to sustain, to encourage the development and to research into aboriginal languages.

We agree, as do aboriginal people, that an institute such as that proposed by the member for the Western Arctic in her private member's Bill C-269, an act to establish the Aboriginal Languages Foundation, is the way to go. We would like to see the government give funding for a separate institute or foundation, if that is what people want to call it, for aboriginal people. They should not be lumped into this institute in Edmonton.

I am amazed that there was not closer consultation by the people who developed this, not just with one or two educated native people, whom I understand they may have consulted with, but with the grassroots, with native organizations across the country that feel so strongly about this.

We oppose very much that funds to this institute would take away from aboriginal languages. It is very important that both are funded.

The Canadian Ethnocultural Council has also taken a very strong position on this matter. It made a very good proposal when it asked for an amendment to the definition of languages in the bill and for aboriginal languages to be removed from the definition of heritage languages. We will come back to this point in committee.

One of my colleagues, the hon. member for Kamloops, will be speaking in greater length on the whole question of aboriginal languages. We feel it is a very vital point and probably one of the most important priorities for the government in this whole field.

In some ways Bill C-37 is already out of date and it must be updated. The objectives of the institute were established in the earlier bill before the minister had time to withdraw these federal funds. It is very important when we go to committee that we look at this issue very carefully. It was before the minister emasculated the whole meaning of this institute by cutting out the front line heritage language classes. As I say, not enough consideration was given to the fact that aboriginal people do not want to be included in multicultural heritage language programs.

Because the situation has changed so drastically, I would urge the minister to consider an amendment to Bill C-37—and I believe that the Canadian Ethnocultural Council has also suggested this—which would provide an addendum to the functions of the institute. It could be included in one of the clauses that refers to other responsibilities and would allow the institute to give some direct funding to heritage language classes. This might be one way that would make people more appreciative of the institute.

It may not be that this would need to be used right away, if the government reinstates funding, which we want it to do, but it is something that should be more flexible. There may be certain languages that as yet do not have classes or teachers that the institute would give particular priority to helping to fund and establish in communities. That should be added to the bill.

I know that many community organizations would feel much more positive about this institute if it had more practical value in assisting to develop language programs in their communities which they feel are needed. I do not think that they are going to have too much sympathy for an elite academic service which is largely for professional linguists at the university level. They are certainly not going to feel very happy about it if they are losing funds for their own programs.

I have received a number of suggestions from the president of the Saskatchewan organization for heritage language programs, Mr. Shakeel Akhtar, which will be very helpful in committee as well. I would like to thank him for these suggestions and ask that other people contribute. I hope the committee will hear from witnesses and will tour the four western provinces so that

we can get input about this bill and about the need for heritage language programs generally.

As I said at the beginning of my remarks, probably the three highest language priorities for federal dollars for languages should be the reinstatement of funding for English as a second language for immigrants of all ages, not just people going into the workforce but mothers who are still at home, grandparents who want to be able to communicate and become part of Canada, and for children in school as well who need much more.

Australia has one program that provides ESL classes—and in our case it would include French as well—for all immigrants regardless of their ages. That is what we should have in Canada, but instead of that the government has cut back.

We also think that a priority is to establish funding for aboriginal languages and, as I said, my colleague will elaborate on that.

Third, we feel it is very important to reinstate funding for heritage language classes in communities, taking this money from the minister of trade's $14 million if necessary.

• (1650)

In summary, we will support a heritage language institute provided that there is a restoration of funding for community heritage language classes, provided that aboriginal languages are funded separately under the administration of native people, and provided that there are assurances that the institute services will be decentralized and accessible in the four western provinces.

Mr. Lee Richardson (Calgary Southeast): Madam Speaker, it is an honour for me to express my support for the passage of the Canadian Heritage Language Institute bill. This legislative initiative will take an important lead in introducing a new era of federal support to Canada's heritage languages.

Many language groups from across Canada have called on our leadership in a promotion of this rich and living resource. They have been highly supportive of all efforts to realize the potential of an institute. They have witnessed the evolution of this government's commitment to heritage languages, a process marked by a new direction and application of our efforts.

We are providing leadership at the federal level to ensure that these languages continue to give expression to our multicultural character. The Canadian Heritage Language Institute is a symbol of our new approach and will ensure that heritage languages continue to make significant strides toward mainstream Canadian life.

More and more people now understand that heritage language programs are not mechanisms for fostering sentimentality. They are the life source for our cultural communities and a vehicle to transmit culture from one generation to the next. Indeed they are a genuine source of cultural enrichment for all Canadians.

The institute will match ideals with practical means to achieve them. It will promote new ways and means to ensure the use, acquisition and retention of all languages that contribute to Canada's multicultural identity. One way it will achieve this objective is through the development of better teacher training and language programs and Canadian oriented learning materials. The institute will also conduct practical research into all aspects of Canada's heritage languages.

The institute will put an end to isolated research and will place a new emphasis on applied research. Above all, it will address the practical needs of particular language groups, help to and meet these needs where they matter most: in our classrooms.

The institute will be located in Edmonton. It will work closely with organizations, groups and individuals from all over Canada to encourage the preservation and use of Canada's many heritage languages.

The board of directors will consist of knowledgeable and experienced individuals with expertise in the area of heritage languages.

The institute will tap the collective knowledge of experts from across the country: linguists, teachers, language specialists, and scholars. It will make use of the language skills and cultural understanding of individuals of all origins living within our borders.

While the institute will represent a collaborative effort, it will also play a leadership role by helping achieve nationally acceptable standards of teaching for the successful retention of heritage languages.

To be worth while our response and assistance must be timely, with a view toward future horizons. The institute will also have sufficiently broad scope to respond to contemporary challenges.

Since the institute will be incorporated federally as a charitable organization, its financial resources can be augmented by outside funds. In particular, we hope the institute will be successful in encouraging the support of provincial agencies and ethnocultural communities. The money allocated for the institute is nothing less than an investment in our cultural identity.

Charles Berlitz, the pioneer of multilingual instruction, compared living in this world and speaking one language to "living in an enormous mansion and staying in one room".

As Canadians we cannot close doors on the vast potential for growth offered by our multicultural identity. Heritage languages open a door to untold opportunities and potential for Canada.

I am proud to support the establishment of the Canadian Heritage Languages Institute as a contemporary way to promote the development of Canada's rich linguistic heritage.

I urge my fellow parliamentarians to join me in supporting this important piece of legislation as we seek to fulfil the promise of this innovative yet also truly human institution. In the long run we can be confident in the knowledge that our support to this institute has contributed to building a truly multicultural society where the needs of our people are our greatest priority.

[*Translation*]

Mr. Joseph Volpe (Eglington—Lawrence): Madam Speaker, I imagine this applause is for the opposition, and I am referring to the Liberals, before they start speaking to a subject that is very important to the spirit of this country, the soul of its people and the vision this country wants to give Canadians of their future.

When I hear people— I see my colleague from Quebec who probably thinks this subject is far too complex for his lights. I will switch to another language unless he shows some appreciation of the subject we are discussing today.

Madam Speaker, I find it hard to understand why we are talking about this matter in very vague terms and also with a certain amount of condescension.

Madam Speaker, why are we talking about multiculturalism and heritage languages in a way that reflects shallow principles and statistics and figures without substance, when we should really be talking about the identity of this country? When I think about what I heard today in this debate, I wonder whether there is a basic problem when we talk about multiculturalism and the identity of this country. Personally, as I have said before in this House, when we talk about the multicultural character of Canada, we at the same time accept the distinct identity of all the various groups that together form this mosaic. To me, language is essential to express the identity of each of these groups. I believe that my friends and colleagues from Quebec, and they perhaps more so than others, will understand the significance of language for all ethnocultural groups in this country. What I have to say is perhaps more for their benefit because they can appreciate the true essence of language.

[*English*]

I heard various speakers address the question of the purposes of this institute. They are all valid. They are all acceptable. They talk about integration and the importance of bringing ESL studies in order to teach all of those new vast hordes of peoples coming into our nation those languages which are important for integration into the mainstream, whether that be English or whether that be French.

I heard them talk about setting up a model for establishing that which is necessary for a valid heritage lane program, be it in the question of developing resources, be it in the question of developing materials, techniques for training teachers or for establishing national standards for the teaching of a heritage language and training teachers so that they would be able to produce the kind of work in the classroom that would reflect those standards which are Canadian.

• (1700)

[*Translation*]

Madam Speaker, this surprises me.

[*English*]

I am really surprised to hear things such as this. Recently, we heard the minister acknowledge, as we all do, that education standards in the classroom are under provincial jurisdiction. Perhaps one of the great tragedies of this country is that we do not have enough national standards for our two official languages. We are going to impose national standards on the establishment of heritage language studies.

A Canadian context for the establishment of studying Cantonese and a Canadian standard for teaching Italian. Does the minister want to establish a Canadian context for the appreciation of materials that will help in the understanding of Spanish, whether the student comes from Ecuador, from Castille, from Mexico or from Argentina?

If we are going to recognize that this country is truly multicultural, and if we really are serious about establishing a centre that fosters, promotes and enhances the study of heritage languages, then we have to be serious about the diction that we employ. We cannot on the one hand support a centre that imposes a new image of Canada that recognizes the demographic reality represented by 8 to 9 million Canadians who are of neither francophone nor anglophone origins but share a great equality that we have established in this country.

We cannot in a most condescending fashion, dictate that they will learn their language in a way that we think reflects Canada when we do not accept those same standards for establishing a milieu when studying English or French. You might remember just a few days ago, Madam Speaker, the Sorecom poll that indicated that in Quebec the residents are, increasingly, beginning to think of themselves as Québecois.

That sends shutters of fear everywhere. As I read the rest of the Sorecom poll, it gave me an indication that one of the things that is happening in Quebec and everywhere else—perhaps this government is beginning to recognize it—with the establishment of this particular institution, is that people are beginning to take great pride in the means by which they express their individuality, their character, their aspirations and, in fact, their very existence.

Language is the soul and expression of everything that we aspire to, and everything that we live. We use it to express our emotions, the love we have for our families, the aspirations we have for our children, and to conduct our business.

I am not of English or French origin. I had to learn both languages. English is not the language that I use when I speak and communicate with my family; nor is French the one that I use when I conduct business. I really do not appreciate anyone telling me what my cultural and linguistic metropolis should be, whether it is in Edmonton by a group of academics, scholars or linguists who come together to establish a linguistic national standard for the way that I address my family, with the experiences that I have had in this country and before.

Madam Speaker, if you will permit me, in my own language—

[*Editor's Note: Member spoke in Italian.*]

[*Translation*]

I cannot allow another to dictate to me how I should express my thoughts, experiences, aspirations, the love I have for my family, my culture, the manner in which the history of my people developed and continues to develop, and how to express the very essence of my being and character. I cannot permit this, especially when funds are being cut in one area, and an effort is being made in another to camouflage it. I find this intolerable.

[*English*]

Madam Speaker, I wanted to express these views, which I stated already in English.

The hon. minister gave us an indication that a true appreciation of the heritage language character, the multicultural character of Canada, should be expressed with great pride, without shame, without reservation, but with a sense of acceptance and equality, whether it be Italian, Spanish, or in Yiddish as he spoke earlier when he introduced the bill.

As I said in Italian a moment ago, one can accept this particular concept of establishing the institute even in the context of having cut $4.1 million from a heritage language program. That cut is clearly unacceptable, and is certainly inconsistent with the kinds of principles the

minister presents to us today in consideration of the bill. I think he would agree with that.

I think he might also agree that while the Secretary of State contributes close to $300 million for education and promotion of two official languages in a domain that goes clearly beyond the federal jurisdiction, it is a valid and valuable exercise nevertheless. In that context, however, this institute will not be given the kind of mandate that would suggest that we have made funds available to one-third of the population that regards another language as its method of expressing its psyche, its character and its aspirations.

I want to applaud the minister for having taken the initiative to establish such an institute. At the same time, I want to reserve the right as an opposition member to criticize and analyse whether this institute will be practicable in the context of a budget that calls for cutting away opportunities which permit the expression of heritage language. I find the inconsistency virtually unacceptable. I say it is virtually unacceptable because I know we will get this institution.

I want the government to understand very clearly that academics and scholars who will operate out of Edmonton on an international basis will do nary a whit for all these children in Toronto where the funds available for them to practise their language, my language. My children are personally affected. Those children will go into class with well qualified people, but people who do not meet the standards presented by the Department of Education in Ontario. They talk about a different type of educational system and a different type of program. I do not know whether this institute will be able to set the kinds of standards that I will be happy with as a parent.

I want my children, and I know I speak for many Canadians who desire the same things for their own children, to be able to study the language of their origin in the language and environment in which their parents feel comfortable. The integration process involves family members being able to relate to each other in a dignified fashion that respects the past, origins, cultures and history, and which is expressed in a language that is alive, current and contemporary. The minister will understand this, because he has given us a personal example of his own history. It is not classed in the parochial confines of, what we would say, one country.

Madam Speaker, there is a no more proud Canadian than the one that stands before you this moment. There is at least one Canadian who says "I want to be able to dictate how I learn my language and how I want my children to learn my language. I want to make sure the minister understands that the funds be available for them to practise their language in the way that funds are available for every other language, including the two official ones, especially when it comes under the area of federal jurisdiction, which is outside the parameters of both the BNA Act and the amended Constitution Act. I refer obviously to education. If we are going to be involved then we will do it on a much more equitable basis and I charge the minister to do that, and take that spirit along with his initiative on this institute.

• (1710)

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would like to ask the hon. member who made such an eloquent speech to give his views about inclusion of the aboriginal languages in this institute. If he looks at the bill he will see that the definition of heritage languages includes aboriginal languages. I think native people to whom we have spoken, including many organizations, are very upset about this. They feel there is quite a difference between their languages and the need to protect them, being unique to Canada.

If there is not an Italian class in Toronto Italian will still survive. We want all kinds of Italian classes in Toronto and elsewhere, but the languages of the native people are dying out and if there is not something to develop them they will become non-existent. This is a loss not only to them but to all of us, in fact to the culture of the world.

Now they say, and this is not surprising, that they want any such institute for aboriginal languages to be under their jurisdiction. It should be under a board which would include native people and there should be experts from their communities who are developing and teaching these languages. They want it to be under their control and funded directly. This means there should be money set aside for that program. To immerse it in an institute that is teaching all kinds of languages and where the majority of the staff is not likely to be aboriginal is not

the way it should go. I wonder what his views would be on that.

Mr. Volpe: Madam Speaker, I want to suggest to the hon. member that if there are no longer Italian classes in Toronto perhaps Italian may still prosper and flourish in Italy. But the soul of Italian Canadians will have been extinguished in Canada. There are only about a million of us in all of Canada, and only about 600,000 in Toronto and environs. That may not be a significant figure to many people; it certainly is significant to me—just as it is significant for all Canadians to be able to use language as a means of expressing their total being and character.

I find no problem with aboriginal Canadians thinking in terms of having standards they think are appropriate, not only for the maintenance of their language but the promotion of their language, so that the spirit of their being is not only protected—and I think we have to go much beyond that—but is allowed to flourish. If it would flourish to the extent that it spills over and is then appreciated by others as a focus point not only for study but for communication, so be it.

I have to take the minister at his word when he says that the establishment of this centre is not going to preclude the establishment of one for an aboriginal similar type program. I will take him at his word. The hon. member may not.

What I do not agree with is that there is a suggestion some place that there are those who fit into the multicultural definition and those who do not. Perhaps I did not make it very clear although I tried very hard, but as far as I am concerned this country is multicultural. There is an ethnic language called English; there is an ethnic language called French; there is an ethnic language called Italian; there is a heritage language called something else, whatever that case may be.

It is true that on an official basis for legal, traditional, economic needs, we use two languages. I recognize the importance of that but, if we are going to achieve total equality in this country, then we have to respect each other in the way that we express our experiences with and among each other. If, in this House, in our laws, and throughout the nation, we use French or English as the means by which we access government and justice, then so be it.

I caution the member not to think in terms of excluding ourselves from the multicultural concept. I can think of and treat everyone as equal because to me they are all part of that same multicultural, ethnocultural mosaic. Whether their particular language has a specific focus is another matter and I do not want to contest that. I want, for all others in Canada, the same kinds of considerations that I know the member would like to have for that particular group.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I am pleased to join members here in speaking to this bill which deals with the issue of heritage languages in our country.

I cannot get into my remarks very far without noting, for the record, the nature of the riding that I represent, Scarborough—Rouge River. It is a riding that has many new Canadians who have brought with them their own languages from other countries around the world. One of those languages is English, but the proportion of others is so great that, as I look to my own riding executive, almost everyone on it brings with him or her another language beside English. This has made us in our community stand and deal with the issue of first language, second language, and heritage language.

As we all know, this country has been founded on diversity, so much so that many of us wonder from time to time how we ever managed to bind the country together in the first place. To begin with, we have many native tongues still spoken across the country by the aboriginal community. I think it is fair to say that this is an area where the country has not paid enough attention to fostering the continuance of the native languages for our aboriginal peoples.

Culture rides on the back of language. Language is a vehicle that carries culture and, in many cases, the continuance of valid and rich native cultures is in jeopardy.

In my riding—I am sure it is true for many urban ridings—there are many languages being spoken on the street: Greek; Italian; German; Chinese, by some 30,000 constituents, both Mandarin and Cantonese; Filipino; the south Asian languages of Hindi, Urdu, Punjabi, and others; Japanese; Armenian; Spanish; and Portuguese.

My native tongue is English, and there are others who, of course, speak the other founding language, French.

Bill C-37 is intended to assist the country, its educational institutions, and its community institutions to rationalize, Canadianize, consolidate and manage the delivery of heritage language education. Why do we feel it necessary to do that? I suggest to the House that every single heritage language that we have—and perhaps I could just walk away from the word "heritage" and say every single language that is spoken in this country—is an asset.

• (1720)

I believe they are assets to the country in the same way that our museums and art galleries attempt to acquire and secure representations and manifestations of our history and culture. Perhaps a terrible example of that is *Voice of Fire*, which is not Canadian at all. We have in existence in Canada something which is not artificial and created by artifice but true and living languages which we now recognize as being an asset for all Canada. I know that we would be remiss if we did not attempt, as a country, to organize and assist in the furtherance of the teaching of those languages for all the children who will come after us.

There is a problem that we run into. We have already run into it in my riding and in other parts of the country. The public school board in Scarborough has now realized that the influx of large numbers of new Canadians bringing with them languages of birth, that is original languages other than English or French, has become a very serious problem for elementary and high schools in communities where large numbers of new Canadians settle. This becomes a very serious problem in a community that prides itself on its quality of education.

Where you have significantly large numbers of students who do not speak English or French as their first language, the school board has an obligation, if it is going to teach them at all, to provide them with additional supplementary training in the English language. At the same time, the study programs of these students is damaged severely by their inability to undertake programs in English or French as a first language. As a result, there is a real danger that in some parts of our country an entire generation of students is not receiving the standard of education in English or French needed to carry on with their lives and to be successful in Canada. That is the problem we run up against in a riding where there are a lot of heritage languages.

I regard this statute as an opportunity for the country to step into the field of heritage language and to assist Canadians who have a heritage language other than English, French, or a native tongue. I suppose I should be including natives as well because they are mentioned in the bill, but they may in fact warrant special attention and I will not speak to that directly. The statute will give the opportunity to the country to get into the field and assist in consolidating the delivery of the education in those heritage languages, to set priorities, and to provide a Canadian focus. The net result will be to produce continuing generations of Canadians who will know other languages and all the value that has for Canada.

In addition, it will be at least a small step in reducing indirectly the barrier of intolerance that exists across the country in the general population to other languages and cultures. That does not mean intolerance on the part of someone who happens to be English-speaking, French-speaking, or native tongue-speaking. It applies to anyone, of any culture or language, being intolerant of the language of another group or person.

By willingly and aggressively undertaking the task of locating management and finance, and the setting of priorities in the field of heritage language, we will at least in part address the need to overcome those barriers of intolerance.

While there are challenges in many urban ridings such as mine, I am convinced that a real initiative, not just a cosmetic one, that can follow implementation of a bill like this, will produce benefits for all Canadians right across the country.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I am pleased to have a chance to participate in today's debate on Bill C-37, an act to establish a Canadian Heritage Languages Institute. I speak with mixed feelings about the legislation.

In my constituency, there is a large variety of ethnocultural communities dominated by Italians, Sikhs, Germans, Ukrainians, Norwegians, Finns, Swiss, Swedes, and I could go on. It gives the community of Kamloops a special richness that one may not find in all communities. When it became known to the various organizations that reflect those communities, there was some rejoicing that finally we were going to take a serious step toward recognizing the heritage languages in Canada by estab-

lishing an institute in Edmonton to promote and encourage the development of heritage languages.

On the other hand, the interpretation of heritage language in the bill states:

> "heritage language" means a language, other than one of the official languages of Canada, that contributes to the linguistic heritage of Canada, and includes any aboriginal language;

It is that particular phrase, "and includes any aboriginal language", that was brought to my attention by all the chiefs and band councils in my constituency. They said to me that in their minds their language was not one of the heritage languages and ought not to be considered alongside the various ethnocultural groups and their languages in this institute. They represented the founding languages of Canada. They settled the country of Canada, or the area we call Canada now, and settled it thousands of years ago, literally thousands and thousands of years. They had flourishing cultures, dynamic languages in terms of communication and rich, dynamic communities. To find themselves attached to an institute with a variety of other heritage languages was something they could not understand. Their languages are unique to here. The only place you will find the Haida language is in Canada.

I certainly respect the value of the institute and the promotion of languages such as Italian, Ukrainian, and so on. The point is that these languages do not live or die as a result of this institute. In Canada, they may and that is why it is so important. Over all, this is not life and death situation. However, for aboriginal languages that is the case. There are 53 aboriginal languages across Canada and only three can we identify as being safe and secure in terms of their ability to carry on. It is a real struggle for all of the others.

• (1730)

One of the reasons we have this struggle is that last year the Secretary of State spent $500 million on official languages, encouraging the development and promotion of English and French in Canada. And we support that, of course. But only $1 million was spent on aboriginal languages. I think we can make a case, with aboriginal languages being the founding languages of Canada, that it would not be unreasonable to expect that substantially more money be put into the development, encouragement and promotion of those languages.

However, the situation is going to worsen now. If you look at the bill, you will notice that only $1.3 million will be spent each year on all the heritage languages which, at the moment, includes aboriginal languages. So the situation is actually going to worsen, to say nothing of the almost embarrassing announcement by the government not long ago that it is going to cut back on native communications, on native publications and the ability of native organizations to communicate with one another. For any culture to maintain itself, it must have the ability to communicate. Language is the culture. The medium is the message, if you like.

At a time when we are encouraging aboriginal peoples toward self-determination, self-reliance and self-government, when we are trying to establish in a whole variety of ways self-reliance among native people, to say we are going to cut back serious funding for native publications and native media, I thought was, quite frankly, marginally embarrassing. The native community, of course, to this day cannot believe that it is happening.

That is why the native communities are so concerned that they not be part of the heritage institute. They have some interesting support. A letter written by the President of the Canadian Ethnocultural Council to the minister responsible says the following: "On behalf of the Canadian Ethnocultural Council executive committee, I am writing to urge that the aboriginal languages be removed from the definition of heritage languages in Bill C-37, the bill to establish the Canadian Heritage Language Institute."

Here we have the umbrella organization, the Canadian Ethnocultural Council, agreeing with aboriginal people across the country that they ought to have their own institute, or their own version of institutes, or their own facility to promote the founding languages of the country so that native people can communicate among themselves.

We are simply agreeing with the Canadian Ethnocultural Council on this particular suggestion. My hon. colleague from Vancouver East made an excellent presentation. I have heard a lot of excellent speeches in this House by members from all sides, but the speech today by the member for Vancouver East must be one of the most thoughtful and compassionate speeches we have heard in this House for a long time. She pointed out

some of the strengths as well as shortcomings in the legislation before us and indicated that she wants to move appropriate amendments to improve the legislation.

She also referred to the staggering rate of illiteracy among native people, something which we should keep in the back of our minds as we consider funding for the appropriate system to encourage aboriginal languages.

I said that there were 53 aboriginal languages in the country, 50 of which are endangered. The 53 aboriginal languages are grouped into 11 language families, six of which are found exclusively in British Columbia and Yukon. The Haida, Kootenayan, Salishan, Tlingit, Wakashan and Tsimshian languages are all perilously close to extinction. Well, extinction might be too strong a word to associate with the state of the languages, but perhaps not. They, particularly the young people taking advantage of the elders of the tribes, are struggling to develop an understanding and appreciation of and competency in these languages.

The Assembly of First Nations' Declaration on Aboriginal Language states:

> The Aboriginal Languages were given by the Creator as an integral part of life. Embodied in Aboriginal Languages is our unique relationship to the Creator, our attitudes, beliefs, values, and the fundamental notion of what is truth.
>
> Aboriginal Language is an asset to one's own education, formal and informal. Aboriginal Language contributes to greater pride in the history and culture of the community; greater involvement and interest of parents and the education of their children; and greater respect for Elders.
>
> Language is the principal means by which culture is accumulated, shared and transmitted from generation to generation. The key to identity and retention of culture is one's ancestral language.

Those are beautiful words which I think come to the very heart of the point being made, that is, the need to have a separate initiative from the Canadian Heritage Languages Institute to establish a foundation for aboriginal languages.

I might also emphasize the point made by my hon. colleague for Vancouver East in terms of the consultative process that went into the formation of this legislation. You know, Madam Speaker, that Bill C-37 was influenced by a consultant's report prepared for the then Secretary of State, David Crombie, back in December of 1987. One hundred and thirty groups and individuals were consulted or invited to submit briefs during the consultation process, yet only three academics knowledgeable in native affairs were consulted, two from St. Thomas University in Fredericton and one from the University of Alberta. Not a single national aboriginal representative organization was consulted in the process of drafting the bill nor was there any consultation with native experts or native groups across the country.

I think this is a gross oversight and, as a result, the government has made this woeful error of lumping in aboriginal languages with heritage languages generally. I think the minister understands the error of that decision and we will look forward, in committee, to changing this whole matter.

We would be remiss if we did not say what it is we are advocating. In the moments remaining I want refer to Bill C-269 which is an act to establish the Aboriginal Languages Foundation, sponsored by the hon. member for Western Arctic. I want to read the purpose of this foundation as set out in this bill.

> The purpose of the Foundation is to facilitate throughout Canada the acquisition, retention and use of aboriginal languages that contribute to the country's aboriginal heritage by
>
> (a) promoting, through public education and discussion, the learning of aboriginal languages and their benefit to aboriginal peoples of Canada;
>
> (b) providing the public with information about aboriginal language resources;
>
> (c) developing programs to improve the quality of aboriginal language instruction;
>
> (d) assisting in the production and dissemination of Canadian-oriented materials related to the study of aboriginal languages;
>
> (e) assisting in the development of standards for the learning of aboriginal languages;
>
> (f) conducting research into all aspects of aboriginal languages;
>
> (g) establishing scholarly and professional links between the Foundation and universities, colleges and other organizations and persons interested in the Foundation's work;
>
> (h) ensuring the perpetuation, revitalization, growth and protection of aboriginal languages;

(i) responding to the needs of aboriginal communities as each community is in the best position to determine what is needed to ensure the survival and functional use of its languages;

(j) providing the funding required to enable communities to develop and control the process, resources and activities needed to promote their languages; and

(k) undertaking any other activities in furtherance of its purpose.

• (1740)

I cannot imagine anything that would be more appropriate as a beginning in launching a foundation to establish aboriginal languages securely across the country.

In conclusion, we support half of the principle of this bill. We have serious concerns about the other half of the principle of the bill since it includes aboriginal languages as part of the heritage language definition.

The Shuswap nation in central British Columbia has spent a considerable amount of not only financial resources but human resources in developing their language and support literature, books and research for the enhancement and development of the Shuswap language. They have struggled on minimal resources.

I hope and pray that as a result of this initiative to create an institute of Canadian heritage languages, and through recognition by all of us that we must take a special initiative in terms of aboriginal languages through a foundation or some other course, that funding, support and encouragement will be forthcoming in the future to all native organizations which wish to enhance and expand their ability to communicate within their cultural groupings through language, both written and spoken.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Madam Speaker, I congratulate my friend on his presentation to the House. I also congratulate the hon. member for Vancouver East for her excellent dissertation on this matter.

There are a number of things about the legislation that bother me somewhat. Although the idea appears to be an excellent one, there are to be fairly massive expenditures of money. There is $800,000 to constitute the capital endowment fund and an additional $500,000 to be expended for the purpose of the institute.

The expenditures, I suppose, are to be commended except when looked at in the context of what we have just seen happening in this last budget with cuts to English as a second language and cuts to citizenship and language training. I wonder what good a heritage language institute will be if there is no money for heritage language classes.

Section 10 of the bill sets out very nicely that the chairperson and the other directors shall be paid such fees for their attendance at meetings of the institute and for work performed for the institute as are fixed by the Governor in Council. We have no way of knowing what this will be. I am looking at these expenditures of money at a time when there are cutbacks. Although the idea is a good one, I would suggest that there is some hypocrisy in the government setting up an institute at a time when it is cutting out other programs that help in the binding of this country together as a mosaic.

We have often heard some very good ideas brought in with much fanfare, but as soon as the government gets the program instituted it seems to run on the rocks of the finance department's shoreline and the good idea sinks on those rocks. Does my friend have any comments comparing this program to other programs in the past that started out as a good idea but, because of funding cuts by the Department of Finance, were scuttled?

Mr. Riis: Madam Speaker, I appreciate the question. I suppose it is a matter that is on the minds of many people watching or listening in, who are concerned about how serious are the government's intentions of proceeding with the heritage institute and supporting aboriginal languages.

This is no reflection on the minister—I am certain that the minister is sincere—but I do remember on a number of occasions the huge fanfare and announcements about the *Polar 8* contract for British Columbia. Finally, after all sorts of promises, fanfare and so on we were to have this *Polar 8* icebreaker built which would provide jobs. It was to be a symbol of British Columbia. I notice my hon. friend from the Fraser Valley is here. He will remember those days. We all felt proud that finally British Columbia was going to get something. I remember bands playing, people cutting ribbons, fireworks, and everything else.

Then of course nothing happened; it all fizzled out. The government said: "We are sorry. We have changed our mind. We cannot do that any more". British Columbians felt as though someone had jammed a dagger in their stomach one more time. We are looking like a pin cushion out there. We are getting jammed and jabbed all of the time.

My friend is absolutely correct to ask whether the government is serious this time. It sounds good. On paper it is a great idea. I guess we will just have to wait and see. It is easy to say all these things, but of course the commitment must be there financially to make it work.

When I see the government cutting back on native publications, language training programs for new Canadians, and ESL courses in the west, I just wonder how serious the government is in its commitment to the development and encouragement of heritage languages. I can only assume by its actions that it is not serious. Let us hope that there has been an enlightenment, a change of mind, and that as a result of this legislation today the government will start putting its money where its commitments are verbally.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, it is a pleasure and a privilege to stand in support of the principle of this bill.

The establishment of a Heritage Language Institute is certainly a step in the right direction of supporting our commitment as Canadians to a multicultural society and to something which has been happening at the grassroots of Canada for many decades now, that is teaching young people in particular whose families come from a different cultural background based in a different language how to speak that language, how to relate through that to the culture of their family's origin and how to relate through that to other parts of the world and other peoples of the world.

As we all know, as we face a changing global economy, as we face the tremendous challenges of the global environment, as we face the challenges of learning to live peacefully together on this earth, the ability to communicate with and relate to people all around the globe becomes an increasing strength, not only for an individual but for a nation.

That is what many people who have come to Canada over the generations have done. That is the foundation they have built for Canada as a nation to play a stronger role on the globe and to play a stronger role in some of the major issues confronting the world in the next decade and indeed in the third millennium.

The institute is intended to support, as I said, what has been happening throughout Canada for decades now and for well over a century in the case of some language groups, that is the teaching of heritage languages and all that goes with it. It is for that reason that in rising today to comment on the bill I cannot avoid commenting as well on the fact that it raises some spectres of empty promises and empty shells of institutions when in the same year that the government brings forth this bill it has also obliterated any direct federal funding for heritage language programs.

I met recently with perhaps 60 people in the national capital region. Where better to represent the essence of Canada? These were people represent over 50 schools where heritage languages are taught in this region. I want to mention a few of them because I think it is important that people know the richness and wealth of different cultural backgrounds that exist in our communities, not only here in the national capital region but across Canada.

• (1750)

We have schools teaching Armenian, Arabic, Lebanese, Bengali, Hebrew, Yiddish, Aramaic, Tamil, Spanish, Czechoslovakian, Mandarin, Lithuanian, Dutch, Finnish, German and Urdu. We have schools teaching Greek, Hindi, Hungarian, Italian, Khmer, Laotian, Portuguese, Malayalam, Vietnamese, Japanese, Korean, Ukrainian, Punjabi, Filipino, Persian, Polish, Russian, Italian, Swahili, Sinhalese, Tulugu and Turkish.

We have a wealth in this country, a microcosm of the entire globe. The idea of supporting the continuation and enrichment of that is certainly one deserving of our support. Yet the people with whom I met and the people across this country who are in their own communities, their own schools and their own churches, in whatever place they can find to teach their children through the second, third and fourth generations the language of their family's origin, are concerned about whether they are going to be able to carry on those programs as effectively as they might.

The programs that are going to be most affected by the cut in funding the government has delivered this year are the smallest programs with the smallest pool of parents, families and community to draw on to support their schools. These are not schools that have ever been supported just by government. They have been supported by the communities, the families, and the businesses in those communities.

Those communities that are the poorest—and that often means the ones that have most recently arrived in Canada—absolutely need the kind of funding they are getting. They really question whether it is more important to continue the funding of the actual teaching of the languages than to fund an institute.

The smallest communities—and again those are often those which are newest to Canada with the least base to draw on—are those that are going to suffer most. Many of them are concerned about whether they can continue their program or will have to start charging fees such that the parents will not be able to afford them.

The newest schools, those that are just starting out of communities which are just getting established in Canada or have just reached a critical mass where having a school is a real possibility and which have all the start-up costs, are the ones that are deeply concerned their programs are going to be hurt by the funding cut that has hit them this year. They too question the priority of putting money into the actual teaching compared to the priority of putting money into an institute.

There is basic funding through the provinces for the teaching at heritage language schools, but that provides only a bare minimum. It does not provide enough to create a school. That is why there is such deep concern about the diversion of funding away from these programs. It does not provide enough to introduce the cultural element that keeps young children in school on a Saturday morning when all their friends are out playing, for three and sometimes four hours. The diversity of activities that teach them the language is what makes it meaningful for them, rather than just the book learning.

It is the federal funding that has provided those extra things which go into making a school and making a total cultural experience of the language. It is the federal funding that has allowed them to buy the books, the videos and all other things that go into a complete program. It is that which has allowed them to pay their teachers more than a bare honorarium, to avoid charging excessive fees to the parents, and to bring in all those extras that make a school function.

The people who run these heritage language schools talk to me about what they feel they contribute to their community, to the broader Canadian society, through their schools. They talk, as well, about how the schools are important in their integrating into Canadian society.

There is one school in my riding which is a virtual United Nations. It is wonderful to see. The children have over 27 different languages, most of which have been learned through their heritage language schools. They know their culture and they have learned that with the help of federal funding over the years. They are sharing that with other young people. They are building in other five, six, seven, eight and ten-year olds an understanding not only of their own backyard but of the world. They are building bridges between cultures right there in their classrooms, in their playgrounds, and in their social life with their friends before and after school.

They are making an invaluable contribution, not only to the personal experience of their fellow students but to what those other students bring to Canadian society, bring to their adulthood, and bring to Canada's role in the world.

Their schools also serve as a useful bridge in other ways between the broader society and the members of the family who are slower to integrate and slower to learn the language, and that often means the woman in the household who may be home looking after the children, who may be in a job to earn extra money to support the family where her learning of the language is hampered and where she simply does not have the opportunities that other members of the family have to learn the Canadian language. The heritage language schools become for the mothers and for other people in the community another bridge integrating them into Canadian society while they retain their own unique identity.

That is why the schools are concerned that at the same time as we are building and funding an institute we are cutting back the funding to the very heritage language teaching that the institute is supposed to support. They really question not whether the institute is a good idea but whether they are going to get the institute at the

expense of the very programs the institute is supposed to assist and to enrich.

I will just refer in my last couple of minutes to what are the objectives of the institute. The first is the learning of heritage languages. We do not need an institute for that. For nearly 200,000 children across Canada that is already happening.

Mr. Nicholson: Madam Speaker, I rise on a point of order. I am sorry to interrupt the hon. member, but I believe if you will canvass the House you will find a disposition not to see the clock so that we might proceed with the second reading debate of Bill C–39.

Mr. Angus: I rise on the same point of order, Madam Speaker. I concur with my hon. friend, but I would not want to leave the impression that the extension of the hours would allow for continuation of the debate on the bill that is before us. That is certainly not the intention and not why I have waited around. I had assumed that that bill, by agreement, was going to be completed in this particular stage this afternoon before we moved on to Bill C–39.

Mrs. Catterall: Madam Speaker, to clarify the situation, my intention was to speak for no more than two or three additional minutes. Is the understanding that we will not see the clock until I have completed my speech, as I understand there are no other speakers, and that that will conclude the business for the day?

Mr. Cooper: Madam Speaker, the understanding reached through discussions among the House leaders was that we were to wrap up this debate and to complete debate on Bill C–39, which is to follow immediately thereafter. I am sure that the House is agreed that we will give the member another couple of minutes. We will not see the clock on the understanding that immediately after that each party will have a few moments to express itself on Bill C–39, which will also be passed at that time.

The Acting Speaker (Mrs. Champagne): Is there unanimous consent?

Some hon. members: Agreed.

• (1800)

Mrs. Catterall: Madam Speaker, I was referring to the objects and why there is some concern that this institute not replace heritage language teaching across the country as it seems to have done in this budget year.

The institute has as one of its objectives to provide the public with information about heritage language resources. It can only do that to the extent that those resources are also supported and continued.

It also intends to produce materials for teaching. One of the problems is that it has been federal funding that has gone traditionally to the heritage language schools which has provided the extra funds we need to purchase those materials. They are a little sceptical about an institute providing materials for them which they concede are badly needed materials with Canadian content, materials that can be more easily acquired at a more reasonable price, but if they have no money to buy them, then those materials do not do them an awful lot of good.

While I personally agree and support the principle of this bill, I caution the government against thinking that funding an institute, or for that matter a department of multiculturalism, in any way replaces its obligation to fund the very programs in the communities at minimum cost to society. These programs are carried out by the communities themselves, with only a bit of support from the government.

This institute in no way replaces that obligation. That message is clear from the groups and schools I have spoken to. I deliver that message now to the minister.

I am certainly in support of the principle of the bill, with some of the provisos that have been mentioned already by previous speakers on the bill. But we are not finished yet with the funding for heritage language schools.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: On division.

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

CANADIAN LAWS OFFSHORE APPLICATION ACT

MEASURE TO ENACT

Hon. Pierre H. Cadieux (for the Minister of Justice) moved that Bill C–39, an Act to apply federal laws and provincial laws to offshore areas and to amend certain acts in consequence thereof, be read the second time and referred to a legislative committee.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I would like to thank the other members of the House who have co–operated to help move this important piece of legislation through the legislative process.

The Canadian Laws Offshore Application Act provides for the application of all Canadian law to the offshore and it is designed to reflect the sovereign rights and jurisdiction given to Canada by the modern Law of the Sea.

In preparing this legislation, the government has had three fundamental concerns in mind: legal certainty, Canadian sovereignty and co–operation with the provinces.

Before beginning with the issue of legal certainty, a few words of background about the concepts of international law that we are dealing with here will help bring the legal problem into clear focus. The bill is concerned with the application of Canadian law to installations on the Canadian shelf.

The general presumption is that Canadian law does not apply beyond the territorial limits of Canada unless there is some specific and express indication that it is intended to have such application. This means that there could potentially be serious questions about the applicability of Canadian laws to areas that are under our resource jurisdiction, but that lie beyond the 12–mile limit of our territorial sea. This is obviously a legal question of great importance. Bill C–39 is designed to remove this uncertainty.

The second of the three objects I mentioned a moment ago is the strengthening of Canadian sovereignty. The bill reflects our sovereignty concerns in a number of ways. Sovereignty is secured through the effective exercise of national jurisdiction, which is precisely what we aim to achieve by establishing a comprehensive legal regime in the offshore through the application of Canadian laws.

• (1805)

Another of our basic objectives is co–operation with the provinces in the context of offshore development. This is the spirit that has given birth to the Atlantic Accord and the Canada–Nova Scotia Accord, and it is the spirit that animates this legislation.

We have taken great care to ensure that the legislation is entirely neutral and non–prejudicial with respect to those provincial offshore claims that remain unsettled at this time. You will note, for example, that Clause 3 vests offshore rights and interests in Her Majesty in right of Canada. But it does so only with respect to areas that lie outside the limits of any province.

In addition to applying federal laws offshore, the legislation will establish a basis for the application of provincial and territorial laws to offshore areas outside the provinces and territories.

Clause 7 of the present bill will allow for the application of provincial and territorial legislation to the offshore on a more general and comprehensive basis. I should think that this provision will be especially useful in the context of ordinary private law matters such as contracts and tort claims, where we have no body of federal law that can be applied.

We recognize that the provinces and territories will want and expect consultations on the application of their laws to adjacent areas outside the provinces and territories.

Clause 7 will be proclaimed in force separately for each province or territory and each proclamation will require 60 days advance notice in *The Canada Gazette*. These requirements are designed to guarantee an opportunity for full consultation with each province or territory.

I would like to bring to your attention, Madam Speaker, a consequential amendment made necessary by the introduction of this bill. I attach particular importance to the application of our criminal laws to offshore activities. This will be accomplished both through the general provisions of the bill and through a series of amendments to the Criminal Code.

At present, with some exceptions, the code applies only within the territory of Canada and on Canadian

ships and aircraft. We consider it essential that offences on installations operating on the continental shelf and under our jurisdiction should be be able to be tried in Canada.

The Criminal Code amendments will mean that our law will now be applicable to offences committed by a Canadian beyond the territory of any state.

I would like to point out that we have simplified and replaced provisions dealing with the world-wide application of Canadian criminal law to Canadian flag ships.

Finally, to complete the package, the legislation provides that the jurisdiction of the courts, federal, provincial and territorial, will extend to installations on the continental shelf in the same manner as if they had arisen on land. This, again, will eliminate the jurisdictional uncertainty that has been apparent in a number of decisions over the course of the last few years.

Madam Speaker, I take pleasure in asking the House to support this bill.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, first, let me thank the hon. member for Moncton for trading places with me tonight so that I can make my brief intervention and attend to the other business that we all have to do around this place.

Let me say at the outset that the member for Niagara Falls has clearly indicated the purpose of Bill C-39, and I will not go into that.

I would like to indicate that my caucus is in support of this legislation. We welcome the fact that the government has finally produced a bill that purports to protect Canadian sovereignty. It follows a steady stream of initiatives that have seriously eroded our control over our own destiny—the free trade deal, gutting foreign investment review, cutting the Polar 8, and acquiescing time and time again to U.S. foreign policy. It is nice to see the government moving the other way just for once.

We do have some concerns with the manner in which the legislation is to be implemented. For that reason we want to see the bill go to the legislative committee to deal with a number of questions. They are not major items. However, we think the principle of the bill is sound. It is to extend our jurisdiction in a number of ways beyond our 12-mile limit.

• (1810)

For example, we are concerned with the power that this bill gives to the Governor in Council. We need to know just what effect this bill would have to whole new areas that suddenly fall under provincial purview, for example, collective agreements, environmental laws, safety standards and labour laws.

It would appear that with a stroke of a pen—I realize it is not quite that simple—that Cabinet can switch on or off provincial or territorial laws in a particular offshore area at a whim. We want to be sure about the ramifications of those matters.

In terms of its application of provincial and territorial laws, the bill may in fact give additional powers to the federal government to control the tax, royalties and resource revenues that are currently going to the provinces. We want to make sure that that is not the case.

We would like to know more about how Cabinet may suspend the operation of certain labour standards to make an area's economy more attractive to large employers—in other words a federal version of the Michelin bill in terms of Atlantic Canada.

We want to know what the effect will be on the day-to-day lives of the people who work on the offshore, be they riggers, fishermen, sailors, or what have you.

We are concerned about the lack of appeal over and above the 60-day notification in *The Canada Gazette*. Because of the far-ranging nature of the kind of regulations that may be made, we are not sure that 60 days is an appropriate period of time.

These are the kinds of things that will be around for quite some time and have a major impact. Perhaps a period of 120 days or longer might be considered.

Finally, we support the principle of the bill. We welcome it. We wonder why it took from October 2 of last year to get to second reading. I notice in the draft paper that the House leaders are reviewing that it is not even on the agenda for completion of third reading by this summer. I question the government's commitment to move quickly on this matter. Certainly, we need the review of it but we are quite prepared, providing that we get satisfactory answers, to continue to support the bill and to move for its enactment as soon as possible.

I again thank my colleague for Moncton for trading spots with me. I thank the member for Niagara Falls for his intervention as well.

Mr. George S. Rideout (Moncton): Madam Speaker, it is a pleasure to rise and speak to Bill C–39.

Our party, as well, supports this bill going to a legislative committee. We see that the bill has some definite progressive implications in the area of Canadian sovereignty, the application of federal and provincial laws and with the Criminal Code amendments.

As we see it, the bill is an attempt by the government to assert Canadian sovereignty over the Arctic and in our offshores generally, and it updates our laws in order to take into account the increased jurisdiction of coastal states under the Law of the Sea.

It sends a clear message to the international community that international waters and territorial seas are definitely part of Canada's concern. For that reason we support it.

It also confirms that the reference to internal waters or territorial seas includes a reference to the airspace above and the seabed and subsoil below. Those are important matters and issues to be considered.

It also takes into account the growing importance of the Arctic and the oil and mineral rights and assets of which exist there, something which we are most supportive.

As well, the bill recognizes that no longer can oil rigs be considered, but also other areas like production platforms, subsea installations, pumping stations and the like. These are all very positive aspects.

We are also pleased to see the Criminal Code amendments which allow us to have some hot pursuit and search, arrest and seizure provisions on the international seas as well as in our own waters.

It also makes Canadian laws applicable against Canadian fisheries in Canada and allows Canadian fisheries officials to carry out their duties on foreign vessels which, again, we see as positive.

I should say that we are looking forward to it going to the legislative committee. It needs detailed study, obviously in the area of the discretionary powers that are given to the Governor in Council.

There are concerns that the provision of the bill may subsequently be compromised or altered by regulation which can cause us some problems. It is essential that we have a very detailed study at the legislative committee stage.

This legislation looks at a new frontier, new definitions, and new players. It is very far–reaching in the areas of energy policy, environment, the Criminal Code, as well as natural resources such as fish and the like.

We are supportive of the bill. We will have other comments to make when the matter is before committee.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

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

[*Translation*]

The Acting Speaker (Mrs. Champagne): It being 6.16 p.m, this House stands adjourned until tomorrow at 11 a.m, pursuant to Standing Order 24(1).

The House adjourned at 6.16 p.m.

HOUSE OF COMMONS

Thursday, May 10, 1990

The House met at 11 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSES

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

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

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COMMITTEES OF THE HOUSE

PRIVILEGES AND ELECTIONS—THIRTEENTH REPORT OF STANDING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I have the honour to present to the House the thirteenth report of the Standing Committee on Privileges and Elections which, in effect, waives the fees and recommends to the House that consideration be given to a bill that is now before the House, namely, a petition of the Desjardins Mutual Life Assurance Company. It waives the late filing of the petition and waives the fees in respect of that bill.

The report of the committee was approved by all parties. If there is unanimous consent, I would move concurrence in this report later this day.

I am pleased to table the report on behalf of the committee.

• (1110)

[*Translation*]

STRIKING COMMITTEE—TABLING OF THIRTY-NINTH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I have the honour to present the thirty-ninth report of the Striking Committee. With leave of the House, I intend to move for concurrence in this report later this day.

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

* * *

[*English*]

COMMITTEES OF THE HOUSE

STRIKING COMMITTEE—CONCURRENCE IN THIRTY-NINTH REPORT

Mr. Jim Hawkes (Calgary West): Madam Speaker, if the House gives its consent, I move that the thirty-ninth report of the Striking Committee, presented to the House earlier this day, be concurred in.

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

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

PRIVILEGES AND ELECTIONS—CONCURRENCE IN THIRTEENTH REPORT OF STANDING COMMITTEE

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, if the House gives its consent, I move that the thirteenth report of the Standing Committee on Privileges and Elections, presented to this House earlier this day, be concurred in.

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

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

GOODS AND SERVICES TAX

Mr. John Brewin (Victoria): Madam Speaker, I am rising pursuant to Standing Order 36 to present yet another batch of petitions from Victoria against the goods and services tax.

We have already had thousands of signatures on petitions urging the rejection of this tax, and here are some more. The tide has not yet ceased. The people of Victoria, in overwhelming numbers, are asking the government to back off this unfair tax and to reform the tax system in a much fairer way than is presently proposed.

VETERANS AFFAIRS

Mr. Maurice Foster (Algoma): Madam Speaker, I have the honour to present a petition with several hundred names of Canadian war veterans who belong to the Royal Canadian Legion branches in Blind River and Espanola, Ontario. They complain that the government has reduced homekeeping services to veterans and substantially increased the cost of long-term care.

They point out that veterans have already given a great service to the country and call on the House of Commons and Parliament of Canada to reject these budget measures that deprive veterans of proper services and increase their financial hardship.

[*Translation*]

GOODS AND SERVICES TAX

Mr. Joseph Volpe (Eglinton—Lawrence): Madam Speaker, pursuant to Standing Order 36, I rise in the House today to present petitions signed by Canadians who are opposed to the goods and services tax.

These petitions were circulated by residents who ask taxpayers to join them in a demonstration on Parliament Hill at noon on Saturday, May 12, to show that Canadians are opposed to the goods and services tax proposed by the government.

To all those who do not speak French, Madam Speaker—

[*English*]

I would like to extend the same invitation; twelve o'clock, Saturday, Parliament Hill.

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, it is my honour and duty, in accordance with Standing Order 36, to present a petition from residents of Toronto; Ottawa; Woodstock, New Brunswick; Saint John; Willowdale and Scarborough, Ontario; and Burnaby, B.C.

The petitioners call upon Parliament to join with the Assembly of First Nations and the Innu of Labrador to demand that the Canadian government end all NATO-NORAD low-level flight training in Canada and oppose the establishment of NATO operations in Canada, including the proposed tactical fighter and weapons training base at Goose Bay.

They ask that Parliament redirect Canada's NATO and NORAD funding toward enabling Canada's aboriginal peoples to regain control of their lands and livelihood, and promoting sustainable development for all Canadians.

VETERANS AFFAIRS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I have the honour, pursuant to Standing Order 36, to table a petition, certified correct as to form and content, from members and friends of Branch 83 of the Royal Canadian Legion in Florence, Nova Scotia.

There are 100 signatures, and in part the petition states that the Government of Canada has introduced changes that will reduce homekeeping services to veterans and substantially increase the cost of long-term care.

Whereas the veterans have already given service to this country and should not be targeted by these measures, the petitioners call upon Parliament to reject those budget measures that deprive veterans of proper services and increase their financial hardship.

GOODS AND SERVICES TAX

Mr. Maurice A. Dionne (Miramichi): Madam Speaker, I have the honour to present a petition bearing 50 signatures. The petitioners humbly pray and call upon Parliament to stop wasting our tax dollars and to reject the proposed goods and services tax. I fully support that position.

Mr. Simon de Jong (Regina—Qu'Appelle): Madam Speaker, pursuant to Standing Order 36, I, too, have a petition which I wish to present to the House. It is signed by people mainly from the Hull, Vanier, and Ottawa areas.

These people call upon Parliament to stop wasting the tax dollars and to reject the goods and services tax. They also invite people to a rally this Saturday.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, following in the footsteps of hundreds of thousands of Canadians who are opposed to the government's goods and services tax, today I wish to present another petition signed by Canadians who strenuously object to this tax and who want to come here next Saturday, May 12, to demonstrate their dissatisfaction with a government that wants to saddle Canadians with a new tax that will be regressive and very costly.

[*English*]

VETERANS AFFAIRS

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, I have the honour today to present several petitions on behalf of my constituents showing the wide range of their dissatisfaction with the government.

Perhaps the first one I should present is on behalf of the veterans of Canada who fought for their country. They are objecting to the measures in the last budget that will place additional hardships on them by depriving them of proper services and increasing their financial hardship.

AGRICULTURE

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, I have some other petitions from the farmers of Lambton—Middlesex, from Oil Springs, Petrolia, Bothwell, Alvinston, Camlachie and Wyoming, and even some from my colleague's riding of Kent.

The petitioners all object to the very high and injurious interest rates that are being imposed upon Canada and the farmers of Canada. They want the government to reinstate the fuel tax rebate and the interest free provisions of the advance payment for crops, to provide fair and equal market access for Canadian farm commodities, and to introduce agricultural policies that will encourage agricultural development in Canada.

VIA RAIL

Hon. Ralph Ferguson (Lambton—Middlesex): Madam Speaker, I also have some other petitions to present. They are signed by various people from across my great riding. They are calling on the government to re-evaluate and upgrade the VIA Rail service cuts that took place across the country on January 1.

GOODS AND SERVICES TAX

Hon. Ralph Ferguson (Lambton—Middlesex): Finally, I have petitions from across the riding as well. The petitioners state that the federal government wants to impose on Canadians a new 7 per cent goods and services tax. They point out that this new tax will apply to books, magazines, newspapers, et cetera.

• (1120)

They point out, quite rightly, that this is the first time this would have been done since Confederation. The petitioners call on the government to exempt Canada's books, magazines and newspapers from the proposed goods and services tax.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, pursuant to Standing Order 36, I rise in the House today to present petitions signed by Canadians who are opposed to the goods and services tax.

These petitions were circulated by residents who ask taxpayers to join them in a demonstration on Parliament Hill at noon on Saturday, May 12, to show that Canadians object to the goods and services tax proposed by the government.

[*English*]

I have several hundred signatures of people involved in and concerned about the whole area of reading. They have brought to our attention that Canada has seen fit, since Confederation and without hiatus, to apply a zero rate of tax to magazines, books and newspapers which are now proposed to be included in the GST. They feel that the uninhibited dissemination of the printed word is

a corner-stone of democracy, culture, and education, and that a literary and productive society will be negatively affected by the GST application.

Therefore, the petitioners have asked the House to reaffirm the historic principles embodied in the tax-free status of the printed word by retaining the zero rate in the GST legislation and regulations.

Last, Madam Speaker, also in the interest of the concern around the GST, and perhaps joining us on Saturday on the Hill in the demonstration, will be people who are involved in occupational therapy, physiotherapy, social services, speech language pathology and audiology outside of public institutions.

They call upon Parliament not to impose the goods and services tax on any health care services, whether delivered in public institutions or in the community.

[*Translation*]

TAX BENEFITS FOR NORTHERN AND ISOLATED AREAS

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, pursuant to Standing Order 36, I am tabling today a petition from Chibougamau concerning the recommendations of the Task Force on Tax Benefits for Northern and Isolated Areas. This community is without question an isolated area, and that is why your petitioners object to the recommendations in the Brunelle report.

[*English*]

GOODS AND SERVICES TAX

Mr. Rex Crawford (Kent): Madam Speaker, I am honoured once again to rise in the House, pursuant to Standing Order 36, with a petition signed by constituents of Ottawa Centre.

The petition states: "If our tax dollars were spent wisely instead of being foolishly wasted, we would not have to be taxed to death. The Canadian government does not need more money from the taxpayers. It needs conscientious, responsible representatives that diligently manage the public purse and reject the proposed goods and services tax".

They will hold a rally this Saturday on the Hill.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, I, too, have in my hands a petition signed by scores of Manitobans, including many from the riding of Winnipeg St. James. This petition in effect excoriates the goods and services tax. It lists a number of reasons showing just how pernicious this tax is.

The petitioners ask Parliament, once again, and particularly the government, to withdraw the tax because it will not be in the best interest of the Canadian economy.

I am aware of the rules, Madam Speaker, and I appreciate your umbrage, so I will not tell anyone that there is a rally this Saturday at noon.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, I, too, rise, pursuant to Standing Order 36, with a petition signed by a number of people from the Ottawa area.

These people see the goods and services tax that is making its way through the legislative process as the last straw in a series of tax measures that has made the tax system increasingly unfair. They call on the government to withdraw that measure and introduce fairness to the tax system. They, too, plan to be at the rally on Saturday that is not being mentioned with respect to these petitions.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I, too, am pleased to stand here this morning, pursuant to Standing Order 36, to present a petition signed by many Canadians who are opposed to the GST.

These petitions have been circulated by citizens who are calling on taxpayers to join them at a rally on Parliament Hill on Saturday, May 12. I would personally like to invite the people of Nepean, my city, who are opposed to this tax to join me on Parliament Hill at noon this Saturday to demonstrate our opposition to the GST.

[*Translation*]

Mr. Mac Harb (Ottawa Centre): Madam Speaker, pursuant to Standing Order 36, I rise today to present petitions signed by Canadians who oppose the goods and services tax.

These petitions were circulated by people who ask taxpayers to join them for a rally on Parliament Hill at noon on Saturday, May 12 to show that Canadians are opposed to the government's proposed goods and services tax.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, it is my honour and privilege, pursuant to Standing Order 36, to present some petitions today. One relates to the goods and services tax.

The people of the country again petition the government opposite to come to its senses and withdraw this goods and services tax before it causes some harm to the economy of Canada. Again, they ask that we participate in the rally on Saturday at noon.

VETERANS AFFAIRS

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, I also have petitions from veterans in my riding of Kenora—Rainy River who ask the government not to impose the added costs for home care services for veterans, thereby substantially increasing costs of long-term care.

These ladies and gentlemen, who are veterans of the wars in which Canada took part, ask the government not to put this burden on them. They feel they have paid their dues and that it is time for Canada to pay them back.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Champagne): Shall all questions be allowed to stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

AGRICULTURAL ECONOMY

Mr. Simon de Jong (Regina—Qu'Appelle): Madam Speaker, I rise today to ask the Chair to rule favourably on my request for an emergency debate concerning the farm crisis, particularly in my own province of Saskatchewan.

I recognize that several of my colleagues in the last few of days have made the same request of the Chair. They have very eloquently and forcefully put forward the position of the farmers who are faced with decreases in the initial grain prices. Interest rates have increased and various other costs such as transportation costs have risen. There is a real crisis facing farmers today.

There is a new factor that has occurred in the last 24 hours. The Minister of Agriculture and the Premier of Saskatchewan have met. They reported, smiling, when they left the meeting, how happy they were that they had had successful discussions and so forth. Yet, no announcement is planned to be made.

The farmers in my home district and in the province of Saskatchewan in general need to know right away what the situation will be. They have to make decisions yesterday, today, and tomorrow on what their future will be.

Therefore, I ask the Chair to call upon Parliament to debate this issue, to stop this phoney war between the federal and provincial government, and to act so that my constituents and other farmers in Saskatchewan will be able to make their living and put the seed in the ground this year.

SPEAKER'S RULING

The Acting Speaker (Mrs. Champagne): I wish to thank the hon. member for his very eloquent plea.

We have studied this request very carefully and still feel that at this time it would not be appropriate to grant this request for an emergency debate. Maybe at some later date.

* * *

• (1130)

[*Translation*]

ROYAL ASSENT

The Acting Speaker (Mrs. Champagne): I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa

May 10, 1990

Sir,

I have the honour to inform you that the Hon. Gérard V. J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, May 10, 1990, at 3.15 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Léopold H. Amyot
Secretary to the Governor General

Supply

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—NORTHERN CANADA

Mr. Robert D. Nault (Kenora—Rainy River) moved:

That this House condemn the government for its lack of commitment to northern Canada and for its failure to treat northerners fairly and equitably as demonstrated by:

(1) its lack of commitment to economic diversification;

(2) deserting northern Ontario by slashing VIA Rail services;

(3) abandoning all northerners with its regressive unemployment insurance legislation;

(4) planning the cancellation of the northern residents deduction for isolated areas;

(5) imposing a 15 per cent export tax on softwood lumber;

(6) cancelling the mining depletion allowance and flow-through share benefits for mining exploration;

(7) imposing a goods and services tax; and

(8) failing to implement adequate adjustment programs for single industry towns.

Mr. Milliken: Madam Speaker, I have two matters. As a result of discussions among the parties I believe there is a disposition on the part of the House to continue to sit through the lunch hour today from 1 p.m. until 2 p.m. I believe that that would be accomplished by unanimous consent at this time rather than by a motion for extension of hours. I would ask for that concurrence now.

Mr. Cooper: Madam Speaker, in light of the co-operation demonstrated in this House yesterday when we were able to do a similar thing to expedite government business, we are more than happy to co-operate, with the assurance, of course, that there would be no dilatory motions, quorum calls, or other disruptive procedures.

Mr. Angus: Madam Speaker, there has been consultation and we are quite prepared to support the proposal.

Mr. Milliken: Madam Speaker, I may say that of course there will not be a quorum call by the opposition on an opposition day. It is the government that normally does that. They forget that opposition days are in fact on government business.

The other matter I wanted to raise concerns the length of speeches. We have a number of members who are interested in debating this motion today. Rather than have 20-minute speeches on our side, we would request that each of the speakers on our side be limited to 10 minutes with five minutes for questions and comments. That will apply throughout the day. If members of the other parties wish to do the same we have no problem with it but I am simply indicating our intentions and asking for the consent of the House to proceed in that fashion.

Mr. Angus: Madam Speaker, I have no problem with the Liberal party splitting their time. I believe that our speakers will take their full 20 minutes, but perhaps as in the past, we could indicate at the beginning of our speeches the length of time we are going to take. I do not think there will be any problem that way.

Mr. Cooper: Madam Speaker, of course we will co-operate with the Liberal request to split the time. We have no problem with that at all. We may well look at it ourselves later in the day but certainly our lead speaker will want to take the full time. We will indicate our intention to the Chair and the House at a later time during the day.

The Acting Speaker (Mrs. Champagne): I see that there is unanimous consent. The Chair is of the understanding that speeches of Liberal party members would all be 10-minutes. With other parties, I would appreciate being told the length of each speech as it would allow me to make things easier for the different speakers by telling them when there is a minute or two left, and allowing them to complete their interventions.

I will now recognize the hon. member for Kenora—Rainy River.

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, it is my pleasure to rise today to discuss business that relates to northern Canada. It is a topic that is very dear to my heart. Not too long ago on a supply day, we on this side of the House debated the regional development programs and the effect the lack of those programs has had on northern Ontario and northern Canada and also the parts of Canada not considered to be in the mainstream of Canadian society.

I would like to talk today about the problems created by the government in northern Canada and specifically northern Ontario, which I know the best. As is said in the motion in front of us, there are many issues created by government that have affected northern Canada and northern Ontario.

I do not want to re-read the motion because I think it speaks for itself. It concerns the reduction in unemployment insurance, the cuts to VIA Rail to the mainline that ran through northern Ontario, the 15 per cent export tax on softwood lumber and the cancellation of the mining depletion allowances which has basically made the flow-through share mechanism useless. Finally, and possibly most severe to us, will be the imposition of the goods and services tax in the near future. These issues have been debated in the House already so I would like to talk about a few other issues in the time allotted to me.

There are two issues that we have not talked about, but I have had correspondence with ministers opposite trying to rectify them because of their direct effect to northerners and specifically, to single industry towns. One of those issues is Canada Mortgage and Housing Corporation. For those who are not familiar with this particular corporation, it has a mandate to help Canadians receive affordable housing.

CMHC has a policy concerning high-risk communities which relates specifically to mining communities in northern Ontario. Not too long ago I wrote the Minister of Housing to tell him of the particular problems this policy is creating in communities like Pickle Lake, Ignace and more than likely in the future, Red Lake and Golden. This policy does is not allow individuals in these communities, when a mine is in the process of being closed, to purchase a home without guarantees from the mine itself. There are a few problems with this. Because of northern Ontario's need to diversify its economy, it has gone to great lengths, with help from the government, to put in programs to entice businesses to move to these communities where these mines are in the process of shutting down. We come to the problem, Madam Speaker.

I have a letter from the community of Ignace and it concerns its housing shortage. Can you imagine a community sending a letter to its member of Parliament and to CMHC telling us that they have a housing shortage when, at the same time, they are telling us that a large mine is shutting down. All the houses that were built by the mine are for sale. It does not sound possible but it is a fact.

I would like like to read a few lines from this letter which outlines the situation. Ignace has a housing shortage and the letter goes on to say:

> Due to industry shifts, there is a local demand for housing. The Mine has stabilized operations at 236 employees and requires all of its available housing to attract skilled personnel for the continued operation of Lyon Lake. With the closure of Camp 418 of Canadian Pacific Forest Products, between 20 and 30 employees will be looking to relocate to Ignace. Furthermore, Original Log Cabins is scheduling a spring move from Pine River, Manitoba to Ignace and will need accommodation for approximately 10 employees—
>
> The Canada Mortgage and Housing Corporation General Policy on Underwriting for Ignace is destroying our potential to stabilize our economy and ultimately compromises CMHC investments made. Stable sectors within the Ignace economy are unable to secure new employees because housing is not available. This policy is encouraging Noranda and the township to walk away from housing opportunities and cease proactive economic development activities until such time as Lyon Lake closes and all the homes can be dumped on the market.

• (1140)

It goes on and on.

I brought this situation to the attention of the Minister of Housing not too long ago. I would like to read part of what the minister said in response. The crux of the letter, that goes on and on is this: "CMHC officials will continue to monitor the economic situation of Ignace on a regular basis to ensure that this policy does not create any hardship in the community."

I find this totally unacceptable. That is the reason why these supply days are so very important to members on this side of the House. We have particular programs and situations implemented by the Government of Canada that have affected the regions we represent. We bring them to the attention of the government and the answer is simply: "There is nothing wrong."

Let us consider the mining communities. We know that once a mine is opened eventually it will be shut. Communities are now getting more involved in trying to diversify their economies before the mine shuts down completely. As is known in mining communities, there is a cutback of employees before the magic day takes place.

Here we have a community that is working as hard as it possibly can to diversify its industry, and what do we hear from the government? It states that the policy is perfectly acceptable. Wait until the mine shuts down, and it will simply dump homes on the market. Basically, it will put the housing and real estate market right down to the lowest level where it possibly can be, and in essence, it will probably put that community and those individuals in a bankrupt position. That is totally unacceptable.

At this time, I would also like to talk a little bit about another situation that I brought to the attention of the Minister of Indian Affairs and Northern Development. I see that the new minister is here, which is good but even though this does not relate to him I hope he will take this very seriously.

In northern Ontario, we have many isolated reserves. The minister is very well aware of that. Not too long ago, we wrote and simply said that we must diversify the economies of those communities. In my riding, there are roughly 10,000 individuals who are isolated and have no access by road to the outside world. What takes place in those communities is that everything is flown in, except in a few key areas which have winter roads which are run on ice and very difficult to maintain.

I have written to the minister on numerous occasions and stated that I thought it was a great waste of the taxpayers' dollars to continue in the long term to fly equipment and material north to the different communities. I said that it would be to the benefit of Canada, the taxpayers and the communities themselves to look at getting involved in road building for these communities, whether they are winter roads or permanent roads.

The minister's answer is simply that government policy states that the only time they build a winter road for these reserves is when they put in funds for these roads when they have a capital project under way. I say to the minister and to Canadians who are listening that in the long run that particular policy is costing us a lot of money. If we were to look at the road system and its effects, we would see that in the long run it would be to the benefit of all taxpayers.

I see that my time is almost up. I say to the minister and the government that we have to look at these problems seriously and the effects they will have on northern Ontario and northern Canada. Because it comes from opposition members, the government cannot just not accept them. It must look at them a little more seriously. I hope that the government will look at these two problems I have mentioned today because they are very legitimate and important concerns that we have.

The Acting Speaker (Mrs. Champagne): As hon. members know, I do not like to interrupt and cut an hon. member off in the middle of a sentence. If members want to split the time, they should be a little more careful because when I give the sign for one minute or two minutes, then the time is over. I would appreciate it and it would be fair for everyone.

Questions or comments, the hon. member for Algoma.

Mr. Maurice Foster (Algoma): Madam Speaker, I compliment the hon. member for Kenora—Rainy River on his speech today. He really got down to some of the specific problems that face his riding. As critic for Indian affairs and aboriginal peoples, he has been especially concerned with the problems of housing and the maintenance of reserves.

I would ask the member to comment briefly on one item in the motion before the House today that concerns the export tax on softwood lumber. There has been a general problem in northern Ontario since the imposition of the export tax on softwood lumber. That industry has become very run down.

About the same time or very shortly after the tax was imposed, the Canadian dollar rose from 73 cents or 74 cents to about 85 cents, which really imposed a second tax of 15 per cent. At the same time, regulations were brought into play which disadvantaged northern Ontario with regard to competition with British Columbia for softwood lumber sales in the United States. I know that in northeastern Ontario the combination of these three factors have had a devastating impact on that whole industry which provides a lot of employment.

It has forced a number of companies to sell out to other companies which do not necessarily have the same social and community concerns as the smaller operators had. I thought it would be useful to hear from the member about the impact on northwestern Ontario because both areas of northern Ontario are very dependent on resource industries, especially mining and forestry. I would like to know the kinds of problems faced in

northwestern Ontario with the imposition of the 15 per cent export tax on softwood lumber several years ago.

Mr. Nault: Madam Speaker, I appreciate that you are trying to keep us on time with our 10 minutes. I know it is always difficult to bring forward the many problems that we all have in that short time.

I thank my colleague for the question as it relates to the export tax on softwood lumber. That particular tax has created many problems for northern Ontario. Specifically, in my riding it has caused two sawmills to shut down and a third to scale down its production considerably. These are problems, as I related in my opening remarks, that will occur when we, as northerners, are given a particular policy of the government to follow, and then as members of Parliament have to try to live with that.

• (1150)

We have asked the government about this on numerous occasions and have been told by the Minister of Forestry that he tried to get into a negotiation type mode with the United States to look at changing this 15 per cent export tax because of the changes in the dollar and the situation that created.

Once the goods and services tax comes into effect and that 7 per cent tax is tacked on to the 15 per cent export tax, even more problems will be created because it is a long way to ship those goods to market. If that continues, we will price ourselves right out of the market.

I say to the government to be very careful when it puts those types of programs in place because of the types of situations that will occur. They will definitely affect us. To add insult to injury, there are the cuts to UI. Because of the effects of cuts in the industry, we again have to look for unemployment because there is nowhere else to work. I suggest the government has to look at all these in one context.

Mr. Maurice Foster (Algoma): Madam Speaker, I am pleased to have this motion before us today. Although it deals with all northern areas of Canada, it is of special concern and interest to those of us from northern Ontario. It covers the whole range of perceived problems we face because of government changes, both in the economy of northern Ontario and in government policy, this past couple of years.

The removal of VIA Rail service in northern Ontario, which we believe will be completely wiped out within the next couple of years, is especially distressing to communities dependent on rail service.

The tightening of the UI program is difficult for those industries that operate on a seasonal basis. The loss of the northern residents deduction for income tax purposes will be a real blow to those communities, not in the area I represent, but in the far north. We have discussed the 15 per cent export tax and the loss of the mine depletion allowance as listed here. This is a very important item.

I want to speak primarily to that item today because of the problem we face in the communities of Elliot Lake, Blind River and the north shore area of the Algoma District. During the past three months we have had the announcement that some 2,000 miners will be laid off in the next 12 months in the town of Elliot Lake with a population of 16,000, and another 5,000 in the area along the north shore, including Blind River. That is a tremendous blow. I want to deal with some of the details surrounding this lay-off and with the loss of the earned depletion allowance and flow-through shares.

The Department of Energy, Mines and Resources says that if we are going to have mines coming on stream in the next 10 or 12 years, whether it is in British Columbia, Ontario, Quebec or other parts of our country such as Yukon or the Northwest Territories, we have to invest money now in exploration and development.

The Department of Energy, Mines and Resources says that we should be investing something like $1.2 billion or $1.3 billion a year now. It is not that every dollar will be successful in that regard, but if you are going to have mines coming on stream in 10 or 12 years time, you have to make the investment now. Unfortunately, in the last two or three years we have lost those major programs. We lost CEIP in the last budget. We lost the flow-through shares and mine depletion allowance arrangements along with capital gain arrangements in the last two or three years. The result is that the amount of exploration and development dollars being spent in this industry next year will be of the order of $400 million.

That is being spent by Inco, Falconbridge and the senior mines. That means we are going to have about one-third the number of dollars being spent which our own Department of Energy, Mines and Resources say is necessary. This is extremely bad news for northern Ontario because we know that down the road, at the turn of the century, there simply will not be those new mines coming on stream. The dollars are not being spent now and under the present regime will not be spent in the years ahead. It is extremely bad news. It has to be changed. We have depended for the last five or six years on the junior mining companies, traded mostly on the Vancouver Stock Exchange, to provide the $800 million or $900 million exploration and development dollars.

The Minister of Finance has given the commitment to the Prospectors and Developers Association that he will review this matter. I know that the Minister of Energy, Mines and Resources, if he believes his department, will want to see that happen. It is terribly urgent in the long run.

I want to talk briefly about the challenge facing us in communities like Elliot Lake, Blind River and the north shore area. Our challenge over the next 12 months and the next few years is to try to make those adjustments to maintain the viability of these communities. A lot of responsibility will fall both to the federal government and provincial governments.

The mining companies have a responsibility as well to assist in developing procedures and activities to assist their employees. I believe they have a responsibility for lump sum funds to assist mining communities in these massive capital expenditures for municipal infrastructure. I believe that should be done. A great deal of responsibility will lie with the federal, provincial and municipal governments to the extent that they are capable of doing that.

Clearly, we need money immediately for manpower mobility and job search. We face the loss of 450 jobs by August. We hope the additional loss of another 1,600 jobs will not take place until a year from now, in April or May of 1991. In fact, it may take place in August or September of this year. If that happens then the amount of money needed will be several times that being sought now by the Community Futures group.

There is a need for money for manpower mobility, job search and retraining programs. We have requested the Department of Transport and the Minister of Transport to develop and improve airport facilities. That is one alternative for the creation of employment. The idea of itinerant mining service, such as used in Rabbit Lake and Saskatoon in Saskatchewan, could be used in communities in northeastern Ontario such as Detour-du-Lac and other communities where new mines will be coming onstream.

I believe programs like the FedNor program are very beneficial in creating small expansions or development of new industry. That program is simply not adequate to deal with the massive restructuring which will have to take place in communities facing massive lay-offs. Much of this is in areas of provincial jurisdiction, so it is very important that we develop them and have programs such as ERDA and economic and regional development agreements where two levels of government can combine to put forward major industrial adjustments.

We did this a few years ago in the forest products industry where we had to restructure it to bring it up to proper environmental standards in order to create the productivity and ability to compete. That is the kind of massive industrial adjustment program we need.

• (1200)

I simply call on the government to be extremely co-operative and to take its responsibility seriously during the next 12 months and in the years ahead to provide industrial adjustment programs and capital intensive assistance mechanisms to ensure that communities like Elliot Lake, which are facing the loss of something like one-half to two-thirds of their labour force, can make that adjustment and continue to be viable communities, even if slightly smaller, so that their community life will continue and families will survive.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I had the honour to be in parts of northern Ontario with my colleague from Nepean on a task force that looked into infrastructures in the area. We will be reporting back to our caucus fairly soon on our findings.

One of the things that we noticed on the positive side is that northern Ontario is one of the most beautiful land masses in our country. It is one of the finest areas that

tourists can visit to look at the beauty of the rivers and lakes, as well as the mountains and valleys.

The unfortunate thing that we noticed is that there is absolutely no way that you can get to certain parts of northern Ontario because of the lack of roads, as the hon. member just mentioned.

What also astonished us was the fact that in many of those areas there are no sewage facilities. People still have to use huts.

We were informed while we were there by the mayors and reeves in the area that large numbers of youth, once they finish high school or primary level, are moving down to major cities like Toronto, Ottawa or other areas to finish their graduate studies and not returning to their homes. We are seeing a depletion in terms of the human resources that exist there.

One could suggest that this is an excellent opportunity for the government to move in and provide northerners with the tools they need, that is access to main roads. I cannot see anything wrong with the request that the government move and move fairly quickly on this issue. I would like to commend hon. members for their comments.

Mr. Foster: Madam Speaker, I thank the hon. member for Ottawa Centre for his comments. One of the thrusts of municipalities in this area is the creation and improvement of transportation facilities. I have already mentioned the improvement and the requests that we have in for navigation aids to the Minister of Transport. It is urgent and important that he make a decision on that very soon.

The second area relates to road infrastructure. In the next four or five years we expect that a decision will be made by Ontario Hydro to build an electrical generating plant in the area of Dean Lake, just west of Blind River, which will involve the expenditure of some $8 billion or $10 billion over a 10-year period for an electrical generating centre.

One of the things which will be needed is a better road, transportation facilities, to that centre to accommodate workers coming from Elliot Lake and Blind River—the whole north shore area. One cannot bring in 3,000 or 4,000 construction workers and all the required infrastructure without having good transportation units and transportation corridors. At this time we have only the Trans-Canada Highway, which is a two-lane road that will not have the needed capacity.

Co-operation between the two senior levels of government in transportation might be part of a major ERDA agreement.

The second area mentioned by the hon. member was the provision of municipal infrastructure. If we lose one-half or two-thirds of our labour force in Elliot Lake in the mining industry, which is a primary employment area, we will lose it in the area of secondary jobs as well, not to mention the service area. I think the mining companies have a responsibility to assist in the large financial obligations that the municipalities take on for municipal infrastructure for sewer and water when a mining company shuts down its operation and moves out. It seems to me it has a responsibility to provide some of the lump sum assistance in those circumstances so that the remaining population is not left with that financial obligation.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, I compliment the hon. member for Kenora—Rainy River for presenting a motion to the House today which allows many of us, members of government and opposition, to discuss issues of concern to the north and not just to bemoan some of the problems, as they have been described, but also to talk about the tremendous positive progress that Progressive Conservative government has been making in the north since we first took office in 1984.

In fact this progress reflects a legacy of commitment to northern Canada which goes right back to the earliest times of Confederation, but it was certainly reflected in the policies of the late Right Hon. John Diefenbaker as Prime Minister of Canada who pioneered the roads to resources concept together with the former hon. member from Qu'Appelle—Moose Mountain who was the minister responsible in those days and who, I might add, had as his parliamentary assistant as he travelled the north the present Prime Minister of Canada.

There is a legacy here of a sustained commitment to northern Canada by successive Progressive Conservative governments because we have always held a vision for the future of the north. That vision sees the north as a place where Canadians, those who live in the north

whether indigenous or non-indigenous, can find their future.

Other governments over the years have had the Ottawa attitude toward the north as a place to be exploited by southerners to add to the tax revenue base of the federal government, but that certainly has not been the approach that successive Progressive Conservative governments have taken.

That is why I am honoured to participate in this debate as the minister responsible not only for the needs of our Inuit and Indian people but also of all northerners, especially in the areas north of 60.

I point out that other members on the governments side, parliamentary secretaries and my colleague, the Minister of State for Indian Affairs and Northern Development, will be participating in this debate. In contrast to some of the negative aspects of the motion before the House, we will be putting forward very forcefully the strong, positive record of this government in dealing with the problems of northern people.

I heard, for example, the hon. member for Algoma indicate that the motion referred to a whole range of perceived problems. I recognize that it is the role of the opposition to talk about perceived problems, to criticize, but I think we would all welcome some positive, complimentary observations on the tremendous record that this government has achieved over the past several years.

Since my appointment several weeks ago to my present responsibilities I have been travelling extensively throughout northern Canada visiting many communities, listening to and speaking with northerners and indeed making some significant progress on a number of important northern issues which I wish to describe during my comments here today.

Since 1984 there has been a dramatic positive change north of 60. I am pleased to be able to continue to assist in facilitating additional beneficial improvements.

We are changing priorities. That is why this government is not so popular at the present time. We are doing things differently for the betterment of our children and the future of Canada. We are not afraid of criticism when we know that we are doing the right things, that we are on the right track. We are replacing old, antiquated programs and initiatives which have not worked with new improved ways of doing things to the benefit of Canadians and in the present context to the benefit of northern Canadians.

• (1210)

I just want to give a few indications of the progress that has been made in the period since this government was elected. It is interesting to note that incomes north of 60 in the two territories have increased by 10 per cent in the period from 1985 to 1988 in the Northwest Territories and by 30 per cent in Yukon. More significant, the Gross Domestic Product of the Northwest Territories has increased by 31 per cent over the period between 1984 and 1988. In Yukon the Gross Domestic Product has increased by 73 per cent.

These are significant indices of improvement in the Gross Domestic Product of northern communities. At a time when the economy in total has not grown nearly as rapidly we have seen a significant improvement in the economic output of those northern regions.

To reinforce those statistics, I want to point out that the commitment of the federal government since 1984 to providing assistance by way of transfer payments to the northern territorial governments has virtually doubled. When we came to office the commitment was something less than $500 million annually. It is now approaching $1 billion annually. That is a 100 per cent increase in the commitment that this government makes to the needs of northern people.

That has been reflected in a virtual doubling of the per capita assistance the federal government is rendering to the people of the north. It is being targeted, in particular, to certain areas of special need, as the mining and forestry industries change, as environmental issues take on a greater significance, and as comprehensive land claims are settled with finality for all time.

For the past three years our government's policies and programs for the north have been shaped and guided by what is called "the northern political and economic framework". It was my predecessor, now the Minister of National Defence, who took this new policy framework to cabinet, had it approved and announced it in 1987, in

order to create a consistency and a continuity to all our efforts in northern Canada, in order to develop the north more effectively in a sound and orderly fashion.

This northern political and economic framework has four main elements. The first is to continue the transfer of programs and responsibilities to the territorial governments.

The second is to settle once and for all a piece of unfinished business, that is, the comprehensive claims of northern Indian and Inuit people.

Third, this program is designed to facilitate environmentally sustainable economic development in our north by encouraging the diversification and the strengthening of northern economies.

Finally, this policy framework reinforces Canada's ability to administer effectively Arctic lands and waters, all of which adds to the strengthening of Canada's sovereignty in the north.

These are our strategic priorities for northern Canada. I am happy today to be able to report more specifically on substantial progress we have been making on a number of these fronts.

In just the past few weeks Canadians have witnessed the conclusion of final agreements with the Council of Yukon Indians and the Dene-Métis of the Western Arctic.

Just a week ago I was proud to be present in Igoolik in the eastern Arctic when we signed the agreement in principle with the Tungavik Federation of Nunavut, an agreement with the Inuit people long forgotten in terms of our obligation as a nation toward their needs, and now reflected in the signing of this important agreement in principle which will lead to a final agreement within 18 months of great benefit to the some 18,000 Inuit people of the eastern Arctic.

In the conclusion and signing of the agreement with the Council of Yukon Indians, which conveyed to the Yukon Indian people some $248 million in the form of cash settlement and 41,000 square kilometres of land in exchange for their giving up of their claims and stated rights to the balance of the Yukon Territory, we have seen the ability to bring certainty and predictability to the planning and development of the northern economic and social needs of Yukoners, both native and non-native.

That is why on April 1, on Parliament Hill, there was a great celebration upon the signing of this final agreement. The thing that I wanted to comment on is the happiness, the joy, the sense of peace and positive optimism that accompanied the conclusion of that important agreement. After many years of negotiations, of aspiration by the Yukon Indians stretching back to 1905, this government did the right thing. We finished a piece of unfinished business which will be of tremendous benefit to that important western part of the Canadian north.

Three weeks ago we did the same thing in Yellowknife by concluding a final agreement which must now be ratified over the next few months by the Dene-Métis people. It is an agreement which involves a compensation fund of $500 million to the Dene-Métis people of the Mackenzie Valley and the western Arctic, and a 181,000 square kilometre granting of land title to the Dene-Métis people in exchange for their commitment and generosity to Canada in enabling us to complete this historic agreement.

All told, these significant agreements in northern Canada represent the final recognition of the fact that our indigenous people were here and occupied these northern lands long before the European settlers, the whalers and sailors and those who came to these shores to populate and occupy the land that we now know as Canada.

This unfinished business has been concluded by this government, bringing possible potential prosperity, stability and a very strong voice and role for northern indigenous peoples in the important political and administrative decisions to be made as we pursue orderly development of these northern parts of Canada.

That is why at all these occasions when I have met with the chiefs, elders and leaders of these communities, there has been a great sense of relief, elation and hopeful positive expectation—genuine joy—which I sensed on the part of northern people. This government and I in particular are proud to have done these fellow Canadians great justice.

These agreements in total represent a settlement amount of some $1.3 billion and the confirmation of land ownership to the Dene and Métis Indian and Inuit peoples of the north of an area almost equal to the total area of the country of France. They involve management understandings in regard to economic development in the areas of energy, forestry, mining, indigenous enterprises such as trapping, hunting and fishing, in business development, transportation and tourism promotion.

These agreements therefore all bode well for the future strength and security of northern peoples.

Since 1984, our government has also been committed to the steady transfer of provincial-type responsibilities to both Yukon and Northwest territorial governments. Our policy has been to pursue this goal, working in close co-operation with the territorial governments and at a pace with which they feel comfortable while ensuring that we continue to deliver programs in a manner fully commensurate with our existing and traditional responsibilities.

A general memorandum of understanding to guide the transfer of these programs was worked out with the government of Yukon in 1988. We expect to reach a similar understanding soon with the Northwest Territories, hopefully within the present fiscal year.

• (1220)

I and many of my colleagues in the federal Cabinet, including many former ministers of Indian Affairs and Northern Development, travel regularly to the northern territorial governments to meet with their leadership. In fact we continue to work in our respective jurisdictions on the orderly devolution of responsibility so that the northern territories are developing the capacity to manage their responsibilities in a sense of the full meaning of provincial status.

Good progress has been made in transferring intra-territorial highways. In fact only this week we have announced with finality the conclusion of an agreement wherein the government of the Northwest Territories will manage highways within the Northwest Territories.

I myself in my former capacity as Minister of Fisheries concluded an agreement to devolve freshwater fisheries to the Government of Yukon.

A number of other transfers are already in place and further will be negotiated and completed during the year ahead.

These will include withdrawal of my department from the land titles field in both territories and transfer of the freshwater fisheries to the Northwest Territories government. Together with Transport Canada we have recently transferred responsibility for class B and C airports in Yukon, and we expect to make a similar transfer this year to the Northwest Territorial government.

We also are negotiating health care transfers, especially in the Yukon at the present time. We hope to revive very soon negotiations toward an agreement in principle for the transfer of forestry management responsibilities to the Government of Yukon.

All these changes that have taken place in northern Canada in the past few years have been of positive benefit. None has been more significant than the rapid political devolution of provincial-like, province-like government authorities north of 60. My department will continue to lead this process of political devolution toward the day when both territories will have the full powers and authorities comparable to those of provinces to the south.

Broadening and strengthening the economic base of our northern territories is a major challenge facing northerners, northern governments and the federal government. We are looking for improved ways to develop stable, sustainable industries that can supplement and complement the non-renewable resource industry sector.

For the past several years the Department of Indian Affairs and Northern Development has co-operated with the territories through a series of economic development agreements and sub-agreements. Our Northern Affairs Program is the regional economic development agency for northern Canada, in some ways comparable to the Western Economic Diversification Program and the Atlantic Canada Opportunities Agency, both of which were established by this government.

Our economic development agreement with Yukon expired last year, but we are extending funding in the present year. We will be renegotiating both with Yukon and the Northwest Territories a set of new economic development agreements when the Northwest Territories' agreements expire at the end of the present fiscal year.

Future economic development programming in the north will focus on priority areas for northern people, areas such as mineral development, environmental industries, arts and crafts, tourism and community planning. The development and the assistance that we can lend will concentrate as well on remote and underdevel-

oped communities and on sustainable development opportunities relating to the northern environment.

On an international level, the recent signing of the Canada–U.S.S.R. agreement on co-operation in the Arctic represents an historic step forward in co-operation with the vast Soviet territory on the other side of Arctic pole. This agreement as you know, Madam Speaker, was signed when the Prime Minister was present in Leningrad during the month of November. It has opened a new era in Canada–Soviet Arctic collaboration. It represents a major step forward in circumpolar collaboration. I look forward to serving as a joint chairman of the Canada–U.S.S.R. mixed commission as we implement the provisions of this agreement.

In the same vein, this government committed itself to the creation of the Canadian Polar Commission which will deal with the economic and social needs of indigenous people and all northern people. We will be bringing forward the legislation creating the Canadian Polar Commission, hopefully later this year for approval and support.

We are also taking the lead in my department for developing an Arctic environmental strategy. Important consultations jointly with the Minister of the Environment and other ministers are taking place throughout Canada as part of the public discussion of "The Green Plan" of my colleague, the Minister of the Environment. Meetings will be held during the month of June with ministers present in the northern communities of Canada from Whitehorse on the west to Iqaluit in the eastern Arctic.

I think it is unfortunate that the motion put forward by my hon. friend from Kenora—Rainy River is in a negative vein. There are many, many positive successes, achievements of this government, of all ministers working together in the spirit of previous Progressive Conservative governments and the vision of our leaders to bring true economic and social benefit, the same equality of opportunity and the quality of life to northern people that most of us enjoy here in the southern regions of Canada.

Thank you, Madam Speaker, and the hon. member for giving us an opportunity to debate these very important questions. I am sure hon. members will be looking forward to many other positive interventions as the day unfolds from my colleagues who do, indeed, speak positively about the tremendous bright future which faces northern Canadians under Progressive Conservative government.

Mr. Maurice Foster (Algoma): Madam Speaker, I want to congratulate the minister on the agreement which has been struck concerning native land claims in parts of the far north.

I want to ask him more specifically about the land claim for the Manitoulin Island United Chiefs and Councillors land claim. On February 2 of this year an agreement was reached with First Nations of Manitoulin Island and the Ontario Government involving some 36,400 hectares of land and payment in value of $8.9 million in land claim.

During those difficult negotiations, which really reached a peak because of a court challenge by the First Nations of Manitoulin against the Province of Ontario, the federal government essentially took a position of observer status at those hearings. Yet there is a claim by the United Chiefs and Councillors, the First Nations of Manitoulin, against the federal government for the loss of the use of those lands for 128 years since the original treaties were signed in 1862.

In view of the progress that has been made on those land claims which involved right-of-way and unsold surrendered lands and so on, will the federal government's policy be similar to the agreement which was reached with the Dene and other groups in the Northwest Territories and Yukon? I am sure that eventually the federal government will end up in court with a claim by the First Nations of Manitoulin. Rather than go through all that litigation, which as sure as night follows day will occur, are the federal government and the minister willing to sit down and do the negotiations for the loss of the use of those 36,400 hectares of land during the last 128 years rather than go through the court challenge first and then be dragged kicking and screaming to the negotiation table?

Would the minister give us the general approach that he and the department would take in this specific claim for the loss of these lands over a century of time?

• (1230)

Mr. Siddon: I thank the hon. member for Algoma for this question, which I know is extremely important to a group of his constituents, the First Nations of Manitoulin Island.

In recent days, I have received some preliminary briefing on the status of this specific claim. I am not in a position to discuss details of any specific claim in the House. I can assure the hon. member that, in accordance with our policy on the negotiation of comprehensive and specific claims, all legal and historical factors bearing upon the federal government's position and, in this case, suggested obligation, will be examined thoroughly. We cannot resolve individual specific claims in isolation of a number factors relating to our comprehensive claims policy and the legal provisions of treaties and the extent to which they may or may not have been breached.

I certainly cannot indicate that I would personally intervene and do anything which bore a particular parallel to the comprehensive agreements which we have achieved in recent weeks, but I certainly will look seriously at the status of this claim on behalf of the hon. member for Algoma.

Ms. Ethel Blondin (Western Arctic): Through you, Madam Speaker, I would like to thank the minister for his speech. It gives me an opportunity ask him questions that I otherwise would not have been able to.

I found the minister's speech very interesting in that he talked about much relief and elation over many of the progressive things that are happening. There are, however, some indications about the downside of northern development. Being the international year of literacy, from a Southam report and other indications, we know there is a rate of approximately 40 per cent illiteracy in the north. We have a very high drop-out rate in our schools. We also have a very high incidence of unemployment, in some areas almost as high as 90 per cent, because there are no economic development opportunities.

The minister also went on to speak about the land claims agreement signed with the Yukon and the Northwest Territories. I have some very specific questions about that process.

Why did the federal government not change the comprehensive land claims policy to allow the negotiation of self-government at the same time as the negotiation of the land claims? That is a very big question for those two areas. In relation to that, does the minister believe that the inherent right to self-government should be entrenched in the Constitution?

Were there any taxation provisions made within the land claims agreement for corporations that will be developed and also for treaty Indians?

The minister also talked about a transfer of programs. It has been the experience that the transfer of programs has been severely hampered by the fact that the present level of funding for these programs is not perceived to be the same level that will be carried over along with the responsibility for those particular programs. I refer, particularly, to highways and airports.

In the Territories we have a severe problem with the standard of airport and airline safety, because we have communities that have airports that are essentially muskeg with gravel on it. That is not safe and it is not acceptable anywhere else in Canada. We rely almost solely on air transportation.

I would also like to know about the Polar Commission and his involvement in it. I know that the minister is the joint chairman of the Canada-USSR committee. Is the Polar Commission going to be a real Polar Commission? Is it going to be located in the Polar region? Is it going to be administered by Polar peoples? Is it going to be in an area that is a Polar region, or is it going to be in a central Canadian location like Ottawa or Quebec?

Mr. Siddon: Madam Speaker, I certainly appreciate the fact that the hon. member for Western Arctic has a number of questions on her mind. Those questions are posed, I believe, in the context of general support for the initiatives that the government is taking in the western Arctic and in northern Canada.

Although the hon. member has not said so in the House, I believe that she is pleased with the conclusion of this historic agreement with the Dene-Métis people of the western Arctic. I certainly was led to believe by the hon. member that she did support the conclusion of this agreement.

There are many unanswered questions. I am not able in the time permitted me here today to answer those questions. I will be appearing before the Standing Committee on Aboriginal Affairs next week. Other members and ministers, including my colleague, the Minister of State, will be here this afternoon and could perhaps elaborate on some of these questions.

Let me for a moment comment on this question of entrenching self-government. The comprehensive claims policy does not provide for the constitutional entrenchment of institutions of self-governments, because there has not yet been a constitutional consensus on that question at a constitutional conference attended by the premiers of the 10 provinces and the Prime Minister. With the successful conclusion of the Meech Lake Accord, which I trust the hon. member supports, we will be able to get on with dealing with those important constitutional questions, such as the definition for all time of aboriginal rights and not merely passing reference to aboriginal rights in the 1982 Constitution. It would be a true and serious discussion of the definition of entrenched self-government. Those are constitutional matters.

I am sure the hon. member and all members of the House want us to conclude this historic Meech Lake agreement with the Province of Quebec so that we can get on with making these important further steps of constitutional improvement on behalf of the aboriginal people of Canada.

Mr. Ray Funk (Prince Albert—Churchill River): Madam Speaker, it is a pleasure for me to participate in this debate today. I compliment the member for Kenora—Rainy River for having given us this opportunity to discuss in the House issues and problems facing northern Canada. I would also like to say that I appreciated the comments of the Minister of Indian Affairs and Northern Development.

Certainly, I do not want to give the impression that we live in a totally black and white world, and that there is not from time to time progress made on some fronts. However, the Minister drew attention to the fact that the government represents the tradition of the late John George Diefenbaker and his vision for northern Canada. I must say to him that I represent the constituency that the late John Diefenbaker represented and certainly the residents of that constituency do not feel that there is the same type of commitment to northern development as this government's predecessors made so evident.

The minister dealt with some of the accomplishments of the government and the issues facing the Territories and the far northern regions of the country. But very often the areas that tend to be forgotten are the northern areas of the provinces. Very often, those are regions that are both out of sight and out of mind to both the provincial and federal governments. It is that type of region that I represent and that type of region that I would like to speak to in my remarks today.

Life has never been easy in many of these communities. They obviously face some of the most rigorous climates in the country. They have always suffered from isolation. There have often been boom-and-bust cycles going all the way back to the fur trade, then through the mining industry, the forestry industry, and the other industries that have grown up in the isolated areas of the country.

• (1240)

Very often these communities have felt, and rightly so, that they were victims of decisions made elsewhere, that the levers of power were not in their hands, and that, in fact, both politically and economically, they were very far from being able to control their own destiny, much more so than communities in southern Canada.

This whole phenomena of being left out of the decision-making process and the feeling of powerlessness has been accentuated and reinforced by the philosophy of the government, for which it makes no apologies. It is very much a bottom-line philosophy which says that big business can set the agenda for the country. Essentially, if something is in the interest of big business, if it serves the needs of the free flow of international capital, it is the government's job and responsibility essentially to get out of the way of any type of control over what happens to the big capital and the big dollar, and to leave the decisions affecting these communities to boardrooms—not necessarily even in the big metropolitan centres of our own country, but centres in the United States, Europe, Japan and other places.

Certainly, the free trade agreement moves us another step down that road. A whole shameful phenomenon of the government arguing that it needs to bring some fiscal sense to the country so that we do not perpetually pay such a high percentage of our tax dollar in interest charges is a legitimate argument. Nevertheless, the

government has repeatedly seen fit to make cuts to those who are the most vulnerable, who have the least ability to fight back, who are not going to be heard when the cuts happen them and whose protests often go ignored.

An example of this is the regional development programs. In western Canada, last year 16 agreements expired worth $310 million. This year another 10 regional development agreements expired worth $316 million. In Saskatchewan, alone, these agreements were worth $190 million.

The people of my constituency and I feel that in a particularly direct fashion because we have calculated that these agreements—the forestry agreement; the tourism agreement; the mineral development agreement; and the NEDSA agreement (the Northern Economic Development Subsidiary Agreement) in Saskatchewan—meant approximately 1,500 jobs every year in my constituency. This constituency has a very high unemployment rate and a rapidly growing labour force. Yet, this government has seen fit to go a whole year playing internal bureaucratic games trying to figure out who is responsible for regional development, be it sectoral ministers or regional development ministers. This constituency has been left high and dry for a whole year while 1,500 jobs were lost.

In the meantime, many valuable initiatives in forestry, tourism, and, particularly, community development in areas like the Clearwater region, northeast Saskatchewan, the La Ronge region and others, have been left to die on the vine. These were initiatives that people thought were going to continue.

We have seen huge cuts to the fur industry. We have seen cuts to the Native Communications Program. Missinipi Broadcasting, one of the prime vehicles of communication in northern Saskatchewan, had to go off the air for the whole month of April because of the budget cut that it experienced. The very valuable publications, *Saskatchewan Indian* and *New Breed* were also cut.

We have seen the whole gutting of the UI program. The UI program was never a particularly successful program in northern Canada for a number of reasons. First, it is very difficult to establish an unemployment rate through the mechanisms used by Statistics Canada. Certainly, in the La Ronge region, which is the northern region of Saskatchewan, there is an official unemployment rate of 13 per cent to 15 per cent. That is hardly credible because the majority of those communities are experiencing unemployment rates of 50 per cent or 60 per cent, or even higher than that. Then we see an unemployment insurance program being brought in that is predicted by the government to cost this region of the country $4 million. However, by other estimates, it will cost $11 million in lost benefits, not taking into account the seasonal nature of employment. It will make it even more difficult for people to try to patch together a living from the different kinds of opportunities that come to them from time to time so they can remain living in their communities and take advantage of the opportunities that do offer themselves. The changes to the UI program are going to make that even more difficult.

The Northern Tax Benefit Program is now very much called into question by a task force which this government appointed. I might add, the task force was appointed before the election which raised people's expectations that all isolated communities that should be eligible for this program would be eligible for it. After the election, it recommended that of the 3,224 communities that were originally eligible for this particular benefit, only 423 be left eligible. In Saskatchewan, only 15 out of the 165 communities that were previously eligible for the northern tax benefit would remain eligible under these recommendations. This is totally unacceptable. Not only is the cost of living so much higher in these regions, as everybody knows, but it makes it even more difficult to develop a viable society, a society that has professionals, business people and people who are able to carry on the tasks that a modern economy in those regions requires.

We have seen cuts in the flow-through share program. In Flin Flon, Manitoba, there is a smelter that desperately needs upgrading to meet today's environmental standards, yet the financing for that smelter depends very much on new mineral deposits being found. The way those mineral deposits are going to be found is if the junior exploration companies, which are very dependent on these flow-through shares, are able to stay in business and continue their activities.

We have also seen the introduction of the goods and services tax. Again, we see this having a particularly negative impact on northern areas. In northern areas, the costs of many goods and services are sometimes as much as two or three times as high as in comparable southern communities, and incomes are certainly no higher. This will mean that the impact of the goods and services tax is felt by the region of the country which is least able to afford it. Given the high illiteracy rate and the fact that many people still rely on the traditional economy and are not registered under the income tax system, the tax credit, which the government claims is going to mitigate the impact of the goods and services tax, will not be available to many of these people.

We also see a desperate need for housing. Housing conditions in many communities are desperately overcrowded, contributing to family breakdown, to poor performance of children in schools, and to a sense that these communities are not able to enjoy the same standard of living and the same type of amenities that lead to a healthy and productive life.

What do we see from this government? On the one hand, we see a cut-back, and on the other hand, a study. Certainly, neither a cut-back nor a study will solve the problems of housing.

In closing, I would like to offer a few suggestions that I think the government should look at seriously. We need to look at the whole situation of northern development, not just in terms of business development, not just in terms of assisting business, but look at economic development as a whole. We need to take a comprehensive look at what it takes to develop a modern economy in the communities of northern Canada, with a focus on community development, some faith and assistance for the grassroots, and some assistance to build the kind of infrastructure that we need.

We need sectoral organizations that can organize the producers in the various renewable resource sectors. We need to require the banks to give some kind of banking service to the northern communities, because it is virtually impossible to run any kind of economy without access to a banking system. We also need a modern transportation and communications system.

• (1250)

We have to take our commitment to sustainable development seriously. If there is any one development that is going to assist the communities of northern Canada towards a brighter future, it is if southern Canadians and Canadians as a whole take the whole concept of sustainable development seriously. Two-thirds of the country lies within what is often referred to as northern Canada.

There should be community based monitoring of resources and the setting aside of 12 per cent of our land area, as the member for Skeena recommended, to make sure that we look after it. Not only will those areas be protected for the good of the ecosystem, but also so that people from around the world will see this as a place to visit and tourism will be enhanced. We should also make sure that we do not see continuing conflict between economic development and the environment.

All of these things depend very much on us taking sustainable development seriously and making sure that the communities in the north are an integral part of this development. It is their environment, after all, an environment many of them have lived in for thousands of years.

Without serious and significant movement towards native self-government and the settlement of native land claims, we are not going to see the type of development in northern Canada which all of us would want to see.

The largest growing sector of the population in this country is the native population and much of the native population of this country resides in northern communities.

The frustration is growing. Institutions need to develop to capitalize on the type of momentum and aspirations which have been developing in the native community over the last number of years, as well as the confidence that has been developing in their own institutions. Without a serious commitment to that whole evolution, the development of northern Canada is going nowhere.

The minister made reference to the fact that we need to pass the Meech Lake Agreement so that development toward self-government can occur. I would like to say to

the minister that the time is long overdue to recognize the whole thrust towards native self-government and the role of aboriginal people in this country.

Northerners have worked as hard as any Canadians to build this country. Northerners have the same hopes and aspirations for themselves and their communities as any other Canadians do. Northerners demand and deserve the same respect and sensitivity from their government as any Canadians do.

Therefore, I call on the government to see the world through the eyes of northerners, to stop letting its philosophy get in the way of what really needs doing in northern Canada, and help northerners make the contribution to the building of the Canada of the future that they want to make and which they can make.

[*Translation*]

Mr. Charles A. Langlois (Manicouagan): Madam Speaker, I would like to remind my hon. colleague from Prince Albert—Churchill River that for some time, we have often heard members of his party speak in this House against flow-through shares because they claimed these shares were tax breaks or benefits for the wealthy and rich in society.

I well understand his interest in seeing an industry in his constituency develop, and mining exploration is important for that industry, but I am surprised to see him today ask the government to use tax incentives to encourage mining exploration and development when a while ago, he and some of his fellow members spoke against flow-through shares; they used opposition days to speak against them.

My other point, as a supplementary question, Madam Speaker, is to ask him to admit with me that in recent months, this government has made considerable efforts with the native peoples, the first nations, for self-government, and I would ask him to acknowledge that with me.

[*English*]

Mr. Funk: I thank the member for his question. I was elected to this House in the fall of 1988. Therefore, I was not party to the debate with respect to flow-through shares before that time.

I do understand that this was an aspect of fiscal policy that my party did support in principle. Their opposition to particular aspects of it came with details of the program that perhaps did permit tax advantages to accrue that in some cases may not have been warranted.

I would like to point out to the member, as perhaps he knows, that $3 billion of the $4.8 billion of mineral investment that occurred through the flow-through share program was spent by junior mining companies, not the major companies. Therefore, I think it is entirely consistent because these junior mining companies are the ones that create the most local employment and are very often headquartered in the northern communities rather than in the metropolitan areas of the country. Therefore, I do not think that it is an inconsistent position on the part of my party at all.

His second question dealt with the whole aspect of self-government and land claims. In my own constituency there are two outstanding claims. One that has been recognized is the claim by the Peter Ballantyne Band which is a huge land claim. The economic development of the whole northeast part of Saskatchewan depends very much on that claim being resolved.

Another land claim which has not been recognized but is being pressed by the La Ronge Indian Band has resulted in caveats being applied in the Candle Lake area of Saskatchewan. The band is using that mechanism to try and attract the attention of the government to something they have been pressing for for about 15 years. It has not got the attention of the government. Certainly it has the attention of the property holders in the region whose properties now have caveats attached to them. From the perspective of the Indian people of my constituency, they do not see movement toward self-government. They have not seen any kind of constitutional movement since the breakdown of the First Ministers' Conferences some years ago. If there is to be such a movement, certainly people would welcome it.

I would like to give credit to the appointment of a treaty commissioner in Saskatchewan. I do want to recognize that as something that has been welcome and I welcome it myself.

Mr. Maurice Foster (Algoma): Madam Speaker, I was listening to the hon. member for Prince Albert—Churchill River talking about the need for co-operation between the two levels of government. It struck me that a lot of the agreements which took place in past years are ending up the same way as this year's whole fiasco on financial support to western farmers.

The government waited for three or four months after the demand by the Saskatchewan Wheat Pool and the premier of the province for special funding, finally called in the provincial ministers and negotiated for a couple of days towards the end of March, getting very close to the start of the seeding period, and finally placed $500 million on the table but demanded that there be support from the provinces.

At the same time, the Minister of Finance brought in a budget which cut the transfer payments by $100 million or $200 million to these provinces, placing them in a financial position where they could not possibly match the federal government funding. One minister said: "Well, we really snookered those guys this time because they have not got the money to put up to match it". All the while, farmers are at a loss to get the funds that they need for seeding their crops this spring.

This morning, we see a headline in *The Financial Post* which states: "Prairie premiers won't match federal farm aid". It goes on to say that there is a common front by the western premiers. I wonder if the hon. member sees this as a technique to make the government look good, as it is attempting to do, while the provinces cannot possibly come up with their share of the money. All this time, the farmers are suffering. They do not have any money.

• (1300)

Mr. Funk: Mr. Speaker, certainly I can identify with the comments of the hon. member for Algoma. Not only do I represent northerners, but I represent farmers who are becoming very frustrated with this whole game of political arm wrestling that has been going on.

Indeed, I can also identify with the point he makes that the cuts in transfer payments to the provinces have a severe impact on northern areas of the country because those are under-serviced areas generally. Cuts in transfer payments means that the under-servicing will continue.

With respect to regional development programs, the government does not even look good. With respect to the farmers, the whole game perhaps is to make the government look good while, at the same time, not spending any money. This whole situation has to come to a quick head because the small wonder is that the government is running 15 per cent in the public opinion polls. While this may make for good headlines and satisfy hon. members opposite in the House, the farm community and the northerners who are falling victim are not going to put up with this kind of thing much longer.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Madam Speaker, I have some comments on the answer given by the hon. member who spoke for the New Democratic Party to the question asked by the Liberal member for Algoma concerning transfer payments and federal-provincial agreements that were steadily diminishing. I would also appreciate the hon. member's comments on the fact that from 1984 to 1988, the federal government, with the provinces, invested over $1.1 billion in forestry agreements, and that in 1988, after the election, the federal government renewed agreements with New Brunswick and Nova Scotia and signed a *Plan de l'Est* with Quebec. Unlike the Liberals and the New Democrats, the federal government does not act unilaterally but prefers to negotiate with the provinces.

I may remind the hon. member, when he speaks about forestry and agriculture, that the provinces have at least as much responsibility as the federal government in this area and that the problems facing farmers can only be dealt with through co-operation, consultation and concrete funding.

The Acting Speaker (Mrs. Champagne): Time for questions and comments has now expired. Resuming debate. The hon. member for Western Arctic.

[*English*]

Ms. Ethel Blondin (Western Arctic): Madam Speaker, I would very much like to take this opportunity to talk about a vibrant and enthusiastic part of Canada where we believe we can make a significant contribution to this great country, Canada.

Together, the Yukon and the Northwest Territories make up over one third of Canada. As you know, Madam Speaker, it is a land of startling beauty and diverse geography. Fewer than 80,000 people live in approxi-

mately 75 communities scattered over this vast part of Canada.

In the Northwest Territories, one third of the people are Dene and Métis, one third are Inuit and one third are non-native. All Dene and Métis communities are located inland along the major river and lake systems in the forested western portion of the territories. All Inuit communities are coastal, except for Baker Lake.

For thousands of years, native people in the Canadian Arctic lived a subsistence lifestyle depending upon fish and wildlife to provide food, clothing, tools and materials for shelter. As fur traders, miners and whalers moved north, life for native people began to change. Although adjustments to lifestyle continue, even today the primary foods for most northern Dene, Métis and Inuit families are still fish from the lakes, rivers and oceans, and meat from caribou, moose, seal, musk-ox and water fowl. Good hunting and fishing skills are respected by everyone and often influence the choice of a community leader. These are not just recreational items or activities. If it sounds like I am describing something which sounds unfamiliar, I probably am. Most Canadians have not been there but Canada's Arctic is what makes Canada unique.

With regard to Meech Lake, my constituents will know that as a member of the special committee to study Premier McKenna's proposed resolution, I am working diligently with my colleagues to ensure that northerners are not casualties of the 1987 Meech Lake Accord.

I want to express appreciation on behalf of Western Arctic residents to Premier McKenna of New Brunswick. His proposal stands in stark contrast to those who have treated the negative impact on the north as an acceptable level of damage in this round. When our Minister of Justice, Michael Ballantine, appeared before the special committee, he stated and I quote: "Premier McKenna has given us hope that our efforts to improve upon the Meech Lake Accord over the past three years have not been in vain."

Northerners complained about the alteration of the process for the creation of new provinces. The extension of provincial boundaries, the lack of territorial participation in the nomination of senators and Supreme Court judges and the exclusion of the territories from the whole consultative process leading to the Meech Lake Accord are many of the concerns that the New Brunswick resolution addresses.

The Prime Minister failed to represent the northerners when we were excluded from the meeting in May 1987 and he has neglected to show any principle or fair leadership since. He did not recognize that, like Quebecers, northerners are eager to become full partners in the constitutional councils of this nation. The Prime Minister is wrong if he believes that Quebec wanted the two territories to become casualties in this national reconciliation with Quebec. The Northwest Territories is the only jurisdiction in Canada in which aboriginal peoples constitute a majority of the population. The elected representatives of the people of the Northwest Territories are trying to shape a tolerant society that will meet the distinct aspirations of Canadians in the northern third of Canada.

I am pleased to tell the members of this House that through a recent amendment to the NWT Official Languages Act, the legislative assembly has recognized the six major aboriginal languages as official languages of the Northwest Territories along with English and French. This is unique in Canada. In many ways northerners are showing leadership in their desire to try to understand one another. They are role models for all Canadians. There are 53 distinct and unique aboriginal languages indigenous to Canada, only three of which are not threatened and there are no provisions for these languages anywhere. Aboriginal peoples in the Northwest Territories have been striving to be full partners in Canada for a very long time. Recently, the Dene-Métis and Inuit initialled comprehensive claims packages which cover most of the territories. Now that outstanding comprehensive land claims in the north are finally being concluded, the people of the Northwest Territories are in a much better position to move toward provincial status in a way that respects the place of the distinct aboriginal cultures of the north.

Northerners goals for provincehood is also enhanced by the north's rich resources. Oil and gas reserves in the north could make Canada energy self-sufficient. The Government of the Northwest Territories is negotiating with the federal government a northern energy accord which would give the N.W.T. control and management of oil and gas rights, including the administration of oil and gas resource revenues such as royalties, bonus payments, rentals and licence fees. If the federal government would give Canadians some indication of its national energy

policy, then northerners and westerners could plan with more certainty the development of oil and gas resources. But we do not know whether the government is committed to frontier energy or east coast or tar sands.

• (1310)

In typical fashion, the government continues to play one region against the other. The federal government has to start recognizing what northern Canada can offer instead of trying to cripple our very existence. Government members must wake up to the fact that the nineties are here.

For decades, the Northwest Territories has been described as the last frontier, a part of this nation having great potential, but not yet fully integrated into the Canadian mainstream. I have tried to challenge this myth since I was elected to Parliament, but challenging the myths and perception about the frontier also means identifying how we could be affected, like any other region of this country, by forces which are sometimes beyond our control.

This means identifying how national initiatives, such as the GST, could undermine the encouraging economic climate we are currently experiencing and which is expected to continue into the future. In its current form, the introduction of the GST will mean that northerners will pay more taxes on almost all purchases. In total they will pay much more than residents of southern Canada who purchase similar baskets of goods and services.

An employee in the Northwest Territories earning $30,000 might have the purchasing power of an individual earning $20,000 in the south. The southern resident will receive the full benefit of a tax credit, but the northern resident will not because the credit will be phased out for families earning over $24,800 annually. The impact of the GST on business and industry in the north is disastrous.

I do not know if the economy of the north is strong enough to withstand another two or three years of the federal government's anti-regional development policies. The 59 communities scattered throughout the N.W.T. are located in an area comprising roughly one third of Canada's land mass and only six of them are accessible on a year-round basis by the national road network.

Forty per cent of the population must rely entirely on air and marine transportation services for the movement of people and goods. Referring to the minister's speech, through you Madam Speaker, it has to be a consideration when these programs are developed or transferred. The distances between these communities are great and, combined with the small population in most of them, the result is that the costs of getting into and out of them are high, compared to southern Canada.

Employers are forced to maintain expensive stockpiles of materials and equipment to ensure continued operations. These conditions, coupled with the possibility of delayed access due to extreme weather, restrict the mobility of a large number of N.W.T. residents, limiting not only access to goods and services but also access to training and job opportunities.

The housing shortage is also critical in the Northwest Territories. The need and demand for public housing and subsidized home ownership is growing, far exceeding the supply available. Physical and systemic barriers to employment also exist. The lack of readily available day care facilities, adult training centres and public housing rental rate structures create disincentives to those on welfare and must be overcome. We have waited for six years for this government's child care program, but the Prime Minister cannot understand that six years is too long.

I would like to thank you for this opportunity. The north is a diverse region of this country. We have many aspects of our economy, of our constitutional development, of our social entity that we could speak to and go on forever, but I know my time is limited.

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, I congratulate my colleague on a very good speech in the House of Commons as it relates to the difficulties of the far north.

I would like to ask my colleague a specific question relating to her remarks about Meech Lake. I would like to know her feelings and the feelings of people in the north relating to the creation of provinces, if Meech Lake goes through as is. I think that is something I have heard her speak of on numerous occasions. It would be

to the benefit of all of us to have her elaborate on that particular difficulty as it relates to that agreement.

Ms. Blondin: Madam Speaker, it is not so much what I as a member of Parliament feel but what my constituents and government representatives of the Northwest Territories have put forward to the joint standing committee of the Senate and the committee on which I sit to deal with the McKenna resolution.

The Northwest Territories want to revert to the pre-1982 arrangement for the creation of provinces, that is for the government to have the sole jurisdiction for the creation of provinces, which is how all the other provinces were created. This is what they want. This is what McKenna's recommendation is and what seems to be favourable. They feel anything outside that will freeze them out forever and negate any opportunity for them to become provinces in the future.

Mr. Doug Fee (Red Deer): Madam Speaker, I have a short question for my hon. colleague. I too congratulate her on her presentation.

Based on her intimate knowledge of the north and the Dene people, I would like to ask a specific question regarding the Dene-Métis agreement signed recently. I have heard that the Dene people are very supportive of it. We have heard some positive comments, but I have not heard the member give her official position on it. I would appreciate her taking advantage of this opportunity to give us her position on the recent signed agreement.

Ms. Blondin: Madam Speaker, I have absolutely no hesitation in making my position clear. I spoke with the Dene-Métis, before they set forth to initial the agreement, on my views regarding the agreement. I sat in the House when the Prime Minister indicated that he wanted me to thank the government for the Dene-Métis having initialled such a wonderful agreement.

My own official position is that the Dene-Métis have worked very hard for the last 16-odd years. I congratulate them because they had to go through a very difficult negotiation process. That process involved their affinity for the land, their lifestyle and the fact that they settled the land claims without dealing with one or two very crucial elements.

The Dene-Métis wanted to negotiate self-government while negotiating land claims, but because the land claims comprehensive policy was as it was and the government would not change it, they could not do that. Furthermore, the minister indicated there could not be the possibility of entrenching self-government in the Constitution until the first ministers were on board at a constitutional conference.

It has been a severe dilemma for the aboriginal peoples who have settled land claims not to have self-government. I have indicated to my people that they make the decisions and I support them whole-heartedly.

Mr. Bob Wood (Nipissing): Madam Speaker, it gives me great pleasure to speak today on the motion of my colleague who represents the riding of Kenora—Rainy River. I am pleased to speak on this motion because I think the government has to hear what the people are saying regarding its policies. That is exactly what I will try to do today.

The government's record with regard to the well-being of the northern region is shameful. As a member of Parliament representing a northern Ontario riding I am very concerned about the effects of recent legislation introduced by the government.

I am speaking more specifically about the Unemployment Insurance Act, Bill C-21, the VIA Rail cut-backs, and the effects of the goods and services tax especially as it relates to tourism in northern Ontario.

The proposed changes in the Unemployment Insurance Act will have an extremely negative impact on the poor and middle class in my riding of Nipissing as well as on the rest of the country and northern Ontario. It will also put a heavy burden on small business which makes up the majority of the economy in the north.

The government has targeted the average person and small business with a whopping new federal tax, one that it is now trying to sell to the public. How will the government ensure that the social safety nets are in place to protect people who bear the burden of unemployment this new tax will likely create? The government hits people with another blow, another unemployment insurance cut when they are already down.

• (1320)

At a time of expected inflation, economic slowdown and therefore anticipated unemployment, a responsible

government should be trying to ensure that its social safety nets are secure and something in which the people can have a sacred trust.

How does this government plan for the future of its citizens? It has done so through the eyes of the free traders who want to make sure that the government makes no contributions to the unemployment insurance fund. This government is proposing to stop contributing to the fund completely.

Its cutting of contributions will be substantial, about $2.9 billion this year, and it will leave the workers and business to pick up the shortfall. This will mean an increase in contributions by workers and employers. For small business which makes up the majority of the northern Ontario economy, it will put pressure on them when it comes time to expand. Can they really afford to hire anyone else? Can they afford the ever increasing rates of contributions.

We all know that those increased costs are passed on to the consumers whose net pay has just decreased through the higher deduction for unemployment insurance. This government's quest for a level playing field is going to end up ploughing under the workers and small businesses in northern Ontario.

The tourist industry which northern Ontario relies on cannot withstand more cost increases. We are already seeing the impact of this government's policy in this sector. The tourist industry is a large employer in the north. How will the workers survive on the reduced benefits that they must rely on with seasonal jobs?

The government looked at the unemployment insurance fund and saw a surplus last year. With its usual lack of foresight, instead of realizing that a surplus is necessary during economic growth so that funds will be there during a recession, it decided it was great time to pull out of the program altogether.

The government saw the surplus as a perfect excuse to walk away from its responsibility to the unemployed in this country. It could not leave it at just that. It would have been bad enough, but it was not enough for this government. No, it also had to increase the number of weeks needed to be eligible for benefits and then cut the length of time a person can collect.

In my riding of Nipissing a person would need 17 weeks of employment to receive about 24 weeks of benefits if the legislation were in effect today. Even if a person has never collected before in his or her life, he or she is only eligible for 45 weeks of benefits. If the government is no longer going to give money to this program, then why on earth should it be deciding by itself how to change the program? Where is the input from employers and employees? Who will pay for the entire program?

Employers know that without unemployment insurance the local economy suffers. They know that people on unemployment insurance can at least afford to keep buying essentials and paying their bills. That will not be the case if they are forced on to welfare.

Tourism is one of the biggest hidden industries in the country, particularly in northern Ontario. It is an industry which contributes $24 billion to Canada's Gross National Product, which provides employment for 10 per cent of the country's workforce, and which is Canada's second largest earner of foreign exchange at $7 billion per year. It provides employment in all regions of Canada including summer employment for students and part-time employment and jobs for unskilled labour.

In the near north alone tourism generates $200 million annually and $1 billion across northern Ontario. yet through its policies the government continues to neglect this vital industry and places its existence in jeopardy.

In 1989 we experienced the unprecedented $3 billion balance of payments deficit in the travel account. To compound the problem, Canada's share of world tourism has been cut in half over the last decade. What is the government doing? It is making it even more difficult for our industry to compete effectively by adding an additional cost of at least 7 per cent.

Fifty per cent of travel in Canada as a whole and seventy-five per cent of travel in northern Ontario is a result of Canadians deciding to travel. Where is the incentive for our own citizens to travel in our own country when they can get more value for their money south of the border? With the exception of British Columbia, every province has experienced a net decline in tourism over the past year.

With the dismantling of defence industries around the world and the opening of the East Bloc tourism in the 1990s will rapidly become the world's largest industry. With its natural endowments and breathtaking scenery Canada is in an excellent position to expand its market

share. This could only happen if we offer good value at competitive prices and if we undertake more effective promotion. However tourism is highly price sensitive. There is no question that if the GST is introduced it will cripple this industry. What about more effective promotion, when the government slashes the budget for tourism from $35 million to $20 million at the same time as it provides about $30 million in aid to McDonnell-Douglas of Toronto? One has to question the priorities of the government.

Let us examine the effect of the GST on northern development. Northerners experience high prices for most consumer goods, and industries in the north incur higher costs due to higher transportation costs. With a 7 per cent GST added to transportation, how enticing does the government think it will be for business to set up shop in the north?

The cut-backs to VIA Rail are yet another example. Last year's cuts to VIA rail were a tremendous blow to the northern Ontario region. Thousands of VIA Rail workers lost their jobs and the effects on the economy were crippling. Transportation infrastructure in the north is absolutely essential for the development of its economy. How are northern towns and cities supposed to attract industries and tourists if we further reduce the transportation infrastructure?

The government advocates economic policies that are almost entirely based on the private sector as the driving force of the economy. We have news for the government: the economy in northern Ontario is suffering, and it does not need a kick in the vicinity especially where your back changes it name. That is what this government has done.

Traditionally Canada has always maintained a balance between the private and the pubic sector to keep its economy strong and vibrant. This principle is especially important in the poorer regions of Canada which are dependent on the government for their economic well-being.

Canada's northern region is no exception to that. Northern Ontario needs the implication of the government to develop itself to its full potential. A good transportation system is essential to achieve that. I urge the government to reintroduce the VIA Rail routes which were cut and to reaffirm its commitment to the north. It is clear to all of us on this side of the House and to all the people of the north that the present policies of this government are extremely devastating to the north.

Why is this government not listening to the people who elected it? These people are asking the government to put policies in place which will assist them, but the government is proposing and advocating detrimental policies.

We need the VIA Rail service for a proper transportation infrastructure. We need a proper unemployment insurance system which will assist economic development in the north. We do not want the GST; it will only cause considerable hardship to our economy.

Finally, we want a strong commitment from this government for the well-being of the north. I do not think I can make myself clearer on these issues. I just hope that this message has been clearly understood by our present government. I thank you, Madam Speaker, and my colleague from northern Ontario for the opportunity to speak on this motion.

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, I congratulate my colleague, the hon. member for Nipissing, on his very extensive and detailed analysis of what is going on in the north. Particularly, as I think all my hon. colleagues will know, I feel very strongly about his words relative to VIA Rail. It is nice to see the parliamentary secretary here today to listen to these remarks about VIA Rail. I hope the government will heed the words of the hon. member.

One of the areas the member did not touch on which is something that is also very critical to northerners is the high interest rates and how they affect northern business. I thought it might be appropriate to ask the hon. member to elaborate and give us some insight on what the effects of high interest rates will be on northerners if these rates stay at the current level or increase in the coming months.

Mr. Wood: Madam Speaker, I thank my hon. colleague for the question. The high interest rates in the north are having an extremely detrimental effect, especially as far as enticing new business to the north.

FedNor, the regional development tool which was set up, has worked fairly well; but it has come to a grinding halt in the last three or four months because to make this program work we need money from the private sector as well, money put in by investors themselves. It seems to

have bogged down mainly because of the current high interest. The companies that are looking to come to northern Ontario are holding back and waiting for the interest rates to go down. Nipissing is probably one of the more active communities in northern Ontario in enticing business to come to that area. We have been fairly successful in utilizing a lot of the government programs and have been very successful in enticing new business to the North Bay and Nipissing areas. A lot of companies that want to come to northern Ontario are looking at expansion but are waiting out the interest rates and that is having a tremendously detrimentalaffect in northern Ontario.

• (1330)

The Canadian dollar is high and I think that the people who want to compete in the United States, now that the free trade agreement is here—we might not like it but we have to live with it—are waiting for the dollar to drop so they can compete under the free trade agreement and make money. We have lots of money but who can afford to borrow at the present rates?

The regional development program of the government seems to make it easier to move different departments in the area than to develop. We have many opportunities for development but with the high interest rates it is very difficult. In northern Ontario we would certainly appreciate the interest rates dropping so that we could become competitive with the rest of Canada.

Mr. Doug Fee (Red Deer): Madam Speaker, I too, appreciate the comments from my hon. colleague opposite. I would like to put my question with regard to his comments on VIA Rail.

The number one problem in this country, I am told regularly by my constituents, is the state of the national deficit. They are concerned about spending. We all know that the average subsidy for every rider on VIA Rail was about $100 last year. We were spending over $600 million a year subsidizing VIA Rail. It is very comfortable sitting in the opposition criticizing the cut-backs in VIA Rail. I would like to know how much more the hon. member was willing to subsidize VIA Rail before he would support a cut-back in the service.

Mr. Wood: Madam Speaker, I appreciate the hon. member's question. The VIA Rail cut-backs were devastating to northern Ontario and I think that although the people on this side of the House recognize the deficit, to cut off a service that is of really great help to northern Ontario is not the way to go about it, especially the way the government did.

It does have VIA Rail running through northern Ontario but, for some reason, it has it running through the northern portion of the province which has a population draw of roughly 50,000 to 60,000 people, instead of maintaining a route through North Bay, Sudbury and the Thunder Bay area which has a draw of roughly 400,000 people.

If the government is trying to provide a service to northern Ontario that would help expansion that, in my mind, is not the way to do it. The particular run that through northern Ontario that it cut was the third most efficient run of VIA Rail. According to some of the articles in the paper recently, VIA Rail was on track. According to many reports, it was just a matter of time before many of these runs that were cut would have become viable.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Madam Speaker, I rise to debate today the motion put forward by the hon. member for Kenora—Rainy River, who also is in regular attendance at the transport committee meetings. I am sure his seatmate was speaking about something dear to his heart. This government is committed to building a strong economy encouraged by incentive and opportunity, an economy which is competitive with the world's trading nations.

In order to fully achieve this goal we must create a solid base which will allow our economy to flourish in the coming years. Measures which seek to control the deficit and reduce the national debt are an essential element to this foundation for the future.

Equally, measures which seek to establish a sound fiscal framework to sustain continued economic development are essential to our purpose. These objectives are reflected in this government's commitment to a sound transportation policy. Transportation is and always will be at the heart of our nation's economy. This is why we

have undertaken to provide Canadians with a safe and efficient transportation sector. This commitment is the core upon which our policy of economic regulation reform was built.

Madam Speaker, I should indicate to you I will be sharing my time with the hon. member for Abitibi.

With the advent of the free trade agreement the role played by transportation in our economic development has become increasingly vital as we enter the next decade and the next century. A cost-effective transportation system is essential if Canada is to preserve and enhance its position in world trade. In order to meet this challenge we must make the best of each mode of transportation. We are not just talking about air, rail, marine, truck, and bus transportation, but the use of the automobile as a transportation mode, something with which Canadians have a love affair.

Continued subsidization of a mode of transportation which costs more and more and used less and less is not a sound investment in our future, particularly when that investment is being made with the Canadian taxpayers' money. That was exactly the situation we were facing with respect to our national rail passenger network.

VIA Rail subsidy rose to an unprecedented $641 million in 1988. This translates into a subsidy of $100 per passenger. We were asking all Canadians to pay this subsidy but only 3 per cent of the travelling public used this mode of transportation. Canadians have demonstrated their preference for other modes of transportation. With a market share of 84 per cent, the automobile is clearly the mode of choice.

Reducing the subsidies to VIA Rail was a difficult decision to make. We had a system that was expensive and inefficient. The government, however, does recognize that in a country as large and diverse as ours there are some truly isolated communities which do not have access to any other mode of transportation. In order to meet this need, nine routes in five provinces were maintained and continue to be subsidized. They are Winnipeg to Capreol, which can now be serviced by The Transcontinental; Jasper to Prince Rupert; The Pas to Lynn Lake; Wabowden to Churchill; Winnipeg to Churchill; Sudbury to White River; Montreal to Senneterre; Senneterre to Cochrane; and Montreal to Jonquière.

Many other countries are making decisions concerning rail passenger services based on their unique demographic and economic realities. Our decision has to be considered in light of the fact that we have the second largest country in the world with one of the smallest populations. VIA service must be consistent with the realities of the density of the Quebec-Windsor corridor and also the different needs of Canada's regions.

Contrary to the wording of the motion before us today, I believe we have taken the necessary action to ensure the future of VIA as a national, affordable and sustainable rail passenger network. The combined public and private spending on transportation in Canada over the next 10 years can only be measured in hundreds of billions of dollars. Therefore, an effective consideration of such an integrated system required the government to establish a forum that would permit all Canadians to be heard in a thoughtful, comprehensive and forward looking manner.

• (1340)

The royal commission announced by the Prime Minister at the same time as the changes to VIA Rail, will inquire into and report on a national integrated inter-city passenger transportation system to meet the needs of Canada and Canadians well into the future.

The size and importance of our transportation system cannot be overstated. Its future development must lead to a system which will meet the challenges of the 21st century.

The royal commission was asked to inquire into and recommend solutions on the role of a national integrated inter-city passenger transportation system and its relationship to the entire transportation system, the structure of a suitable multi-modal transportation system demonstrating linkages, the potential for and constraints on achieving a national system and the appropriate financial arrangements to achieve such a system, taking into account the jurisdiction of all levels of government and the role of the private sector.

The commission will look ahead into the 21st century to advise the government on the needs of Canadians and on the relationship between the modes of transportation of the future. This royal commission, through its wide consultation and broad mandate, is expected to provide a clear action plan that will ensure that the transportation

links among Canada's regions are maintained and improved.

In making this announcement, the Prime Minister stressed the importance of taking into account the wide range of interests of Canadians and the respective roles of all levels of government and the private sector in the provision of inter-city services. He also emphasized the necessity to balance Canada's transportation needs with the government's policy of environmentally sustainable economic development.

The royal commission will examine Canada's unique social and democratic trends and look ahead to ways in which the transportation system must respond to meet the competing needs and demands of users, operators, employees and other interested parties. The commission is expected to provide Canadians with a blueprint for a comprehensive, co-ordinated passenger system to take us well into the 21st century.

All Canadians are aware that we must reduce the burden of the debt. Canadians have been asked to tighten their belts and VIA cannot be an exception.

This government has distinguished itself during the past four years through fiscal responsibility and judicious allocation of federal financial resources. When money is scarce, it has spent where it was most needed and most likely to produce results.

I invite members opposite and, indeed, all Canadians to look at the facts and to judge for themselves the validity of the fiscal realities under which we currently labour. If we have had to make difficult decisions, it is because in 1984 we inherited a legacy of debt, a legacy which I personally do not care to pass on to my children and to their children.

The difficult choices we have been forced to make have allowed us to reduce the growth of the deficit and bring the rate of inflation down to a more acceptable level. Responsible fiscal management combined with sound economic policies have paved the road to a rate of economic growth which rates among the highest in the industrialized world. As responsible Canadians we owe it to our children to leave them with every opportunity for development that we ourselves have enjoyed.

Mr. Maurice A. Dionne (Miramichi): Madam Speaker, I would like to ask the hon. member for Fraser Valley East, if he thinks so highly of the rail cutbacks, how he can justify that with what the Deputy Prime Minister said in the 1980s, particularly in 1984 and 1985 when he reinstated routes that had previously been cut. He also promised there would be new equipment for rail service in Canada, and by so doing raised expectations among the people. But he did not then provide the new equipment or give the reinstated routes and previously existing routes the opportunity to do any promotion of their own to increase rail passenger service. He summarily cut it out just a few short months ago.

Mr. Belsher: Madam Speaker, I am not sure time will allow me to get into the whole framework of what the hon. member has brought before us.

However, we must remember that the government did not have the money which was going to be demanded for VIA to bring in new equipment. The government did replace the engine fleet. The orders have been placed and most have already been delivered. We are updating, I believe, some 200. Half of the fleet is being updated and brought in so that it is electrified and not steam-heated, as it is now. All these things are in concert with the role that VIA is being asked to fulfil in our country. In 1988 and 1989, it looked as if the utilization of the passenger train was going up. The revenues were going up. At the same time, expenses were going up at a higher rate than revenues. The line was getting further apart. That is why we have turned around and had to cut out a number of the routes.

Mr. Nault: CN was gouging.

Mr. Belsher: What do you mean, CN was gouging? CN was not gouging them.

The facts did not bespeak that when we saw CN's annual report last year. The hon. member opposite says the railway companies gouging them. There were incentives built into the contracts. If the on-time was maintained on the routes, there were premiums to be paid on the amount of utilization. Incentives were built in to make sure the companies would not stand in VIA's way in performing its role.

Mr. Maurice Foster (Algoma): Madam Speaker, I listened carefully to what my friend, the hon. member for Fraser Valley East and the Parliamentary Secretary to the Minister of Transport, had to say about cutting costs and so on.

I would just point out that during the last four or five years the deficit has doubled from $170 billion to about $350 billion today. I am not sure he is doing that great a job in that regard.

In northern Ontario—and we are talking about northern areas today—we got word of the cutting out of Air Canada service to all northeastern Ontario on a Monday. I think it was the Tuesday that we heard of cuts in Air Canada service to Timmins, Sudbury, North Bay, and the communities in between. Then, there were VIA Rail cuts. Our frustration is that, after the cuts, VIA Rail ends up servicing communities with some 20,000 or 30,000 people, whereas it was previously servicing some 300,000 or 400,000 people in Sudbury, Thunder Bay, and so on. The chances of success are really very limited. One can see the frustration people have with the cut-backs in transportation, as a regional development tool, made this past winter. The government has done a tremendous disservice to northern Ontario with these cut-backs.

The Acting Speaker (Mrs. Champagne): A short comment from the hon. parliamentary secretary.

Mr. Belsher: Madam Speaker, the hon. member begins his remarks by talking about the debt. There was a $200 billion debt in 1984. It has cost $120 billion to service that debt. I talked about the slowing down of the rate of growth. That is the problem, but nobody on the other side of the House wants to admit it.

An hon. member: That's the Liberals' problem.

Mr. Belsher: Well, it is true. Those are the facts. They put their heads in the sand and—

The Acting Speaker (Mrs. Champagne): The period for questions and comments has now expired.

• (1350)

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, I want to thank the hon. member for Fraser Valley East for letting me use his allotted time.

The goods and services tax will have a substantial, positive impact on all regions in this country, including the north, and more specifically, northern Ontario and northern Quebec.

The existing federal sales tax makes our products less competitive on foreign markets and favours imports over Canadian goods. This applies to northern Canada as well.

No fewer than 22,000 provisions and administrative arrangements have been required for a tax system that has only 75,000 taxpayers.

Furthermore, consumers have practically no way of knowing how much federal tax they pay when they purchase an item. Since the tax is applied at the manufacturing level, most Canadians don't even know they are paying the tax.

The federal sales tax is archaic and undermines the competitive potential of our economy. It must be replaced, and the federal government has made the requisite commitment.

The GST will differ from the existing federal sales tax in three respects.

First, the GST will apply to most goods and services, at a rate of 7 per cent. Because of its narrow base, the existing tax applies to only one-third of goods and services, at a rate that is normally 13.5 per cent.

Second, to collect the GST, only the value added to goods and services at each production and distribution stage will be taxed. Businesses will collect the tax on their sales to other businesses or to consumers, but they will obtain a full refund of the tax paid on their business purchases.

Third, the GST will be a visible tax. Its visibility consists basically in the fact that it will be applied at the retail level, to a very broad base and at a uniform rate.

Mr. Nault: That isn't true!

Mr. Saint-Julien: In this way, Canadians will know when they pay federal sales tax and at what rate.

Madam Speaker, the hon. member implies that the GST will increase the cost of goods, thus penalizing businesses located in the north, in northern Ontario and northern Quebec. In fact, northern businesses are now paying federal sales tax on a wide range of inputs, including fuel, vehicles, computers, office supplies, construction materials and communications. Even inputs that are exempt from the present tax contain tax components. Consequently, the existing federal sales tax adds substantially to business costs.

With the GST, businesses will be able to recover all federal tax paid on their inputs. All suppliers of goods and services who collect the GST on their sales will receive a credit for the tax paid on their inputs. The difference between the GST collected on their sales and the GST paid on their inputs will be paid to the federal government.

However, when the GST on purchases exceeds the GST on sales, the difference will be refunded to the business.

Merchants selling tax-free items such as basic groceries, prescription drugs, medical devices and goods and services for export will also be eligible for the input tax credit, even if they do not collect GST on their sales.

It is clear the GST will result in lower production costs, compared with the present system, and will improve productivity in all our regions, including the north.

It is often said that the positive economic impact of the GST will not be uniform across Canada, favouring Central Canada's manufacturing regions at the expense of other regions. In fact, the positive impact on the primary sector will be twice as substantial as on the manufacturing sector. We all know that the resource industry, including exports, is the mainstay of the economy of Canada's north, of northern Ontario and northern Quebec.

Long-term production gains for the primary sector as a result of sales tax reform will be 3.3 per cent, compared with 1.4 per cent for the manufacturing sector.

Furthermore, productivity in the transport and public services sector will increase 3.1 per cent, more than twice as much as the manufacturing sector.

The existing federal tax does not apply to manufacturers but to manufactured products. These are used everywhere in Canada, especially in those regions that are largely dependent on natural resources. In fact, the extraction and processing of raw materials involves to a considerable extent the use of equipment and construction materials. As I said earlier, Madam Speaker, these goods include substantial federal sales tax components, both directly and indirectly, thus increasing production costs and making companies less competitive.

The input tax credits will completely eliminate the federal sales tax on production and distribution. Buyers of equipment will see the cost of capital goods go down by about 4 per cent. This will result in increased production in northern areas, including northern Ontario, whose economy is heavily dependent on raw materials and exports.

The question of transportation costs has been raised many times. At present, the transport of goods is taxed indirectly since carriers pay tax on a large percentage of their inputs. These costs are reflected in the price of their services and ultimately in the retail prices charged to consumers. Under the GST, transport companies will claim the tax paid on their inputs and this will lower their operating costs.

Retailers and wholesalers will be better off because they in turn will benefit from the tax credit on inputs.

One of the most important features of the new tax is the GST credit, which is meant to protect Canadians on low and moderate incomes. Families whose annual income does not exceed $30,000 will pay less tax than they do now. Three quarters of families headed by a senior or a single parent will see their after-tax income increase once the GST is in place.

The GST credit is a simple and fair way to protect less fortunate Canadians. It helps those who need it most.

Madam Speaker, those who think the government is not committed to Northern communities are mistaken. The goods and services tax is fair and equitable because it will apply to all Canadians equally, taking account of their particular economic situation. This tax will bring the North considerable benefits, not only for businesses but also for individuals.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, I would like to ask my colleague from Abitibi a question relating to the goods and services tax, which he spent the majority of his speech talking about.

One aspect he did not elaborate on was that, once the goods and services tax comes into force, there will be a tax on services. This is something northern communities in an area like Abitibi, an area very similar to northern Ontario, have never had to deal with. The member would be well advised to explain to his constituents the

effect this new service tax will have on the tourism industry and the price of goods transported from southern regions.

The member seems to believe that there are hidden costs in the manufactured product. Once the MST is removed, it will be transferred to the consumer as a saving and the price of goods would not rise.

Would the member tell me if he feels that because there was no service tax before—and there will be when the GST comes into effect—that this will be an added cost to his constituents?

I give him the example of electricity. In our region this has already increased by 15 per cent. They believe the goods and services tax will have that affect on them, and they are getting prepared for that now.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, to follow up on the comment made by the hon. member for Kenora—Rainy River (Mr. Nault), we know the situation is the same with Hydro-Quebec in Quebec. This utility raised the tax substantially. But Hydro-Quebec, in our province, forgot to pass on the benefit from the GST.

But I would like to say to him that if we impose a visible 7 per cent tax, why did the Liberals, who were in power for 20 years in Canada, never make the 13.5 per cent tax visible?

Mr. Duhamel: It was 9 per cent five years ago, don't forget!

Mr. Speaker: It being two o'clock, the House will now proceed to statements by members, pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

NATIONAL FOREST WEEK

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, this is National Forest Week. It is not too much to say that in Canada the forests are the environment. Of course, we all know that no subject is more important to the world today than the environment, and in Canada, no subject is more important to the environment than our forests.

If the concept of sustainable development is ever going to be applied successfully in Canada, it must begin with our forests. To put it simply, at least in my view, we must start the process of sustainable development by placing the forest map of Canada on the table with all of the players present, then we must decide in advance what we all want to accomplish. We must determine what our forests can produce and sustain over time and space, and we must reconcile ourselves to a consensus with society's interest in the balance. Only in that fashion will we be able to find a vision for Canada's forests which is both attainable and sustainable.

* * *

PARENTS' RESOURCES INSTITUTE FOR DRUG EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, PRIDE is the acronym for Parents' Resources Institute for Drug Education. It was established in 1983 in Saskatoon as a response to the growing problem of illegal use of drugs in Canada.

It provides information, products and services for the fight against the inappropriate use of drugs. It is really a partnership among youth, their parents and teachers, as well as other professionals who have joined together to try to combat this growing menace.

It is supported by different organizations. For example, in my constituency, it is supported by school boards and schools. I note that the Norwood School Division, the St. Boniface School Division and the St. Vital School Division are supporters of PRIDE.

Right now between 1,500 and 2,500 young people and their supporters are in Winnipeg celebrating the sixth annual conference. This year's theme is "The 90s—Building a Drug-Free Canada".

[*Translation*]

Let us all work together for a healthy Canada by fighting drug addiction.

* * *

[*English*]

BURK'S FALLS

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, today I am pleased and privileged to offer my heartiest congratulations to the village of Burk's Falls on the occasion of its centennial. The centennial of Burk's

Falls has a special meaning for me as I have proudly called that village my home for over 50 years.

Opening celebrations begin on Saturday, May 12. I would like to take this opportunity to acknowledge with many thanks the hard work of all the organizers responsible for planning theme events throughout the village. No doubt residents and visitors alike will be enticed into reflecting upon the proud heritage that has shaped the unique and wonderful village of Burk's Falls.

Our special guest of honour on that day will be His Honour, the Honourable Lincoln Alexander, Lieutenant Governor of Ontario.

I am confident that the next 100 years will be embraced with the same vigour and sense of community that has graced the first. I look forward with great anticipation to taking part in the year's festivities.

We are hoping many former residents will come back home for the July 1 homecoming.

* * *

UNEMPLOYMENT INSURANCE

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, while the Conservatives and Liberals continue to wage their turf war between the Commons and the Senate, tens of thousands of unemployed people continue to suffer the consequences.

Variable entrance legislation is necessary to balance the unemployment insurance coverage for those people who live in areas of high unemployment and to provide for them the benefits to which they are entitled.

Every day I get calls from people from all across Canada wanting to know why they are being penalized by these two parties when their families are without basic necessities because of this ping-pong game being played by the Parliament of Canada.

In the name of fairness and decency, I ask this government to withdraw Bill C-21 and to pass immediately the variable entrance legislation which the New Democratic Party has asked for since November of last year.

S. O. 31

SOCIAL PROGRAMS

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, on October 15, 1988, the Prime Minister of Canada stated: "As long as I am Prime Minister social benefits, especially for the elderly, will be improved, not diminished."

He also said: "Let me say a special word to senior citizens here tonight. In the future Canada will be doing more, not less, for all of you."

Cutting moneys to the New Horizons Program is not doing more for Canadian seniors. We have not been successful here in this House in obtaining a firm answer from the minister responsible, nor has the Minister of National Health and Welfare been very co-operative in providing information on the subject of provincial allocation of New Horizons money and whether or not funds have been cut or perhaps shuffled.

Today I called the office of New Horizons to ascertain the provincial allocations. There has been a gag order placed on officials of that department not to provide information to members of Parliament.

In 1988, over 10 per cent of Canada's population was over the age of 65. By the year 2021 the number will have risen to 21 per cent. This government is not responding to the needs of our Canadian seniors. If anything, it is going behind their backs to cut the funding from such organizations as the New Horizons Program.

[*Translation*]

TRIBUTE TO JEAN-GUY LAPOINTE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, like many other Quebecers, Jean-Guy Lapointe is starting his golf season, but if you know that both his arms have been amputated, it takes on a whole new meaning.

Indeed, I could not help feel immense admiration when I saw Mr. Lapointe's photograph in *Le Journal de Montréal* of May 8. His golf equipment includes a breastplate or jacket surrounding his chest. Attached to it are an artificial wrist and a hook to hold the clubs. Mr. Lapointe's golf partners, in this case his wife Monique who has always supported him in his greatest desires, only have to put the clubs in his artificial limb.

This 51-year-old man was involved in an accident as a lineman nine years ago. A lover of sports before his accident, he has remained so and he now runs 20 kilometres a day. He intends to take part in his second marathon next fall in Montreal.

Mr. Speaker, I wanted to pay special tribute to this man today for the example of courage he gives to us all as Canadians.

* * *

[*English*]

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, since January, the Minister of Fisheries and Oceans and his department have had a proposal from the inshore fishermen concerning the 1990 quota allocations in fishing areas 4X and 5, but they have taken no action on it. Nor has the minister responded to the repeated requests by fishermen and municipal officials to sit down with him and his predecessor to discuss the situation since the fishery closed last summer.

These fishermen have had very little chance to fish in the last year, and their frustration with the minister's inaction resulted in their occupying the Fisheries and Oceans office in Yarmouth on Tuesday.

If the minister does not act within the next few days, he and his officials will have to accept responsibility for what happens.

These people are tired of being told that the stocks on Georges Bank must be protected when they see the Americans landing record catches on Georges, the offshore freezer factory ships within our waters and the foreigners overfishing.

I call on the minister to meet with the premier, who said yesterday to these people that he had to have a meeting with the minister as soon as possible to discuss this urgent crisis in the fishery. I call on the minister to meet with the premier before next week.

* * *

THE ECONOMY

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, over the past months a number of strong public statements have called upon this government to demonstrate further prudence in its management and expenditures. Canadians recognize that we need greater symmetry between our fiscal policy and Canada's monetary policy. Both must be more supportive of the other.

It follows that further spending restraint can only be more supportive of the Bank of Canada's ongoing fight against inflation. These actions on the fiscal side, although often difficult, can only lead to much needed latitude for interest rates.

The task before us is to get on with it. The Auditor General and others have outlined opportunities for us to do so. I call upon all my colleagues to be more cognizant of the problems posed by government expenditures and to have an active interest or involvement in their reduction.

• (1410)

Our theme of the day should not be, "Crow must go", but rather, for the sake of our future economic growth, our theme should be, "Let's go with Crow".

* * *

GUYANA

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I rise to join my voice with that of a delegation from International Solidarity for Democracy in Guyana who are here today to call on our government to review its economic recovery program for Guyana. The disbursements of the program's funds have led to unrefuted charges of misappropriation, misspending and abuse by Guyanese government officials to secure their positions. Human rights abuses are legion.

An angry United States has threatened to withdraw its contributions to the economic program. It is time that Canada too made aid conditional upon the correction of these abuses.

The Guyanese president still refuses to provide audited accounts of how aid moneys will be spent. Resentment and frustration is widespread among the general public and economic disarray is evident everywhere. Emigration is escalating.

Effective economic recovery can only take place with a change in direction at the top. I urge this government to insist on free, fair, internationally monitored and supervised elections as a pre-condition for aid.

TRANSPORT

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): The federal transport minister's version of the American war on drugs is an unwarranted attack on the fundamental right to privacy of 250,000 Canadians who work in the transport industry.

In a media conference here yesterday, the Seafarer's International Union launched a public campaign to persuade the minister and his government to drop their mass urine testing strategy. Having sent empty vials to all government MPs, the SIU is now urging their members and Canadians everywhere to send urine sample bottles to the minister. This could be called a "measured" response to the government's plan for drug testing, which has nothing to do with safety.

The real reason the government is pushing this policy is the American demand that we submit to their laws by January 2, 1992. The Tory idea of rights and freedoms and public safety seems to be a plan to deregulate industry, but regulate people.

I call upon the minister to drop his plan for mass testing of working Canadians and move instead to deal with the real hazards to public safety in transport, such as short staffing and massive overtime among air traffic controllers and radio operators who have been screaming for years for government action on safety.

* * *

NATIONAL FOREST WEEK

Mr. Ken Monteith (Elgin): Mr. Speaker, we are currently celebrating National Forest Week. The enormous contribution of pulp and paper, timber, wood panels and other wood products to our balance of trade is an impressive indication of the economic importance of Canadian forests. Indeed, our forests are the basis for our enviable economic position in the world marketplace.

The theme for National Forest Week is "Living Forests—Giving Forests". Our government's commitment to establishing a full-fledged Department of Forestry with a well-defined mandate is an indication of the importance accorded to the forest industry in Canada.

S. O. 31

NATIONAL NURSES WEEK

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, this is National Nurses Week and, as in previous years, there will be an opportunity provided for members of Parliament to meet with members of the Canadian Nurses Association in the booth set up under the rotunda near the main entrance.

The more than 200,000 practising nurses in Canada are an integral part of the health care system and provide invaluable service in health care facilities, in the community and in the workplace. Their impressive contribution enhances the strength and effectiveness of our health care system.

The theme for National Nurses Week, May 7 to 12, is "Nurses and the Environment". This is certainly a most timely and appropriate emphasis on a subject of current global concern.

To pay tribute to the nurses of Canada for their unique contribution to the health of Canadians, I ask my colleagues to join me in recognizing National Nurses Week.

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AGRICULTURE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, recently 30,000 copies of a brochure entitled *Today It's Canadian Pork* were published through Agriculture Canada. The purpose of the brochure was to advertise the Canadian pork industry throughout the United States.

At the last minute the brochure was scrapped and burned because of industry protests over the photographs which showed an inferior product, a product portrayed as unappealing, unappetizing and hardly conducive to selling pork.

The costly mistake, $30,000 of taxpayers' money, is just one example of profligate government waste. This mistake could have been easily avoided had Agriculture Canada consulted with the pork industry at all steps of creating the brochure.

How often do costly and careless mistakes like this occur and how many departments condone this kind of needless waste? Proper consultation between government and industry must be the rule, not the exception, where public money is being spent.

Oral Questions

FORESTRY

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the recent global warning conference held here in Ottawa has been a great reminder of the importance of the forest industry to the future of Canada and, indeed, the world.

Their message was clear. Scientific evidence points to a need for more extensive forestry research and funding falls far short of this urgent requirement.

The theme of National Forest Week this year is: Our Forests as a Resource. Last December, a two-year forestry resource management agreement was signed for Nova Scotia. This agreement lacks the long-term vision which is so necessary for this resource. If Nova Scotia is to improve its forest resource then forest management must be enhanced and private land owners must have universal access to improvement programs.

This agreement requires woodlot owners to contribute to the upkeep of their stands. As many cannot afford this, the result will be a mismanaged resource.

With the glaring example of the fisheries crisis in Atlantic Canada, let the goal of the newly formed Department of Forestry be to avoid the depletion of this valuable resource and ensure that the forests do not fall victim to poor management and remain the foundation which supports the economy of the Atlantic provinces.

ORAL QUESTION PERIOD

[*English*]

THE ENVIRONMENT

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of the Environment. In a leaked U.S. State Department telex we learned today that Canada has agreed to join forces with the Americans to block further progress in the fight against global warming in discussions that will take place at a conference in Bergen, Norway, later this week.

Yet last April, in response to President Bush's "go slow" approach on harmful carbon dioxide emissions, the minister said: "The price of inaction is too high—We have sufficient indications (of global warming) to implement whatever action we can now."

Why has Canada agreed with the United States to hold back in getting additional progress in the fight against global warming? Why is this government saying "yes" to the Americans and "no" to the environment?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I want to state clearly and firmly that there is absolutely no agreement between the United States and Canada to achieve these resolutions. There has been no commitment by Canada to the United States on this.

I want to repeat that, while in Washington, I made a commitment publicly which I would like to reconfirm today. There will be targets and schedules for the reduction of CO_2 in *The Green Plan*.

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, will the minister and his government support precise commitments to reduce carbon dioxide at the discussions in Bergen, Norway, taking place this week? Will he support efforts to get these commitments at Bergen this week? If he does not do that, is he not admitting that he has caved in to the Americans? I ask him today, again, to say "yes" to the environment and "no" to the Americans.

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, there is an international process set up by different countries to achieve those commitments. The agenda was set up in Noordwijk a few months ago where all countries, Canada being in the the forefront of them, made the commitment once we are provided with the IPCC report, the Intergovernmental Panel on Climate Change next August. After the Geneva conference in November precise commitments will be made in terms of targets and schedules to achieve CO_2 reductions. *The Green Plan* will reflect this when it is announced this fall.

We always say the same thing. It was never intended that commitments would be made on targets and schedules for CO_2 reductions at the Bergen conference. It is a conference intended as a follow-up to the Brundtland commission to prepare for the 1992 Brazil conference

where, I hope—and Canada is pushing very hard for this—a convention will be concluded to set up targets and schedules to reduce CO_2 emissions.

• (1420)

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister said last April, I repeat, "The price of inaction is too high—We have sufficient indications (of global warming) to implement whatever action we can now".

I ask the minister again why he is not willing to use the conference to carry out that commitment he made in Washington, and which he claims to be repeating now, to use that conference in Bergen to achieve progress with the other countries that want it in the fight against global warming.

[*Translation*]

I want to ask the minister a specific question. Who sets Canada's foreign policy on the environment: Ottawa or Washington?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, if there is one area in which Canada has dissociated itself from certain U.S. undertakings, it is certainly the environment. We signed the declaration of The Hague, when the Americans did not. We signed the Basel agreement on the transportation of hazardous goods, but the Americans did not. We took the initiative on reducing acid rain, and we did so several years ago. The Americans are now following suit.

An hon. member: The Liberals did nothing.

Mr. Bouchard (Lac-Saint-Jean): We have been active on many fronts. The Prime Minister was the first to announce that a convention must be signed in Brazil, in 1992, to set restrictions on CO_2 emissions.

We have an independent policy, but at the same time we co-operate with other countries because realize that the environment demands international solutions.

[*English*]

GOVERNMENT CONTRACTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is directed to the Deputy Prime Minister and it concerns the contracting practices of the government.

Yesterday, in sworn testimony before the Disciplinary Committee of the Quebec Order of Engineers, former Conservative MP Michel Gravel said that he had personally given to a former cabinet minister, namely Roch LaSalle, thousands of dollars representing the proceeds of a party at which businessmen had contributed $5,000 each.

Has the minister looked into this matter? Has he satisfied himself that the highest conduct of behaviour was observed by the then cabinet minister and by the Department of Public Works in the awarding of its contracts?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as the hon. member would know, the RCMP is now aware, of course, of the allegations that were made yesterday. I am informed that the RCMP is looking into the matter.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a supplementary for the Deputy Prime Minister. Aside from the RCMP inquiry which, according to the Solicitor General, is about to begin I have the following question for the Deputy Prime Minister: Is he now prepared to ask for a royal commission of inquiry on contracts awarded by the Department of Public Works and the Department of Supply and Services between 1984 and 1989, as I have been asking in this House for the past four years? Yes or no? If not, why not?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, I am not sure why the hon. member would want a royal commission of inquiry when the Solicitor Generàl has indicated that the RCMP has taken cognizance of the allegations that have been made and they are investigating. What more does the hon. member want?

Oral Questions

THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is also for the Minister of the Environment who is aware that global warming is probably the most serious threat we have ever faced. The minister knows that in Toronto in 1988, Canada, along with many other countries, adopted to reduce carbon dioxide emissions into the atmosphere by 20 per cent by 2005.

We know that the intergovernmental panel report will be out in August. We know that there is going to be a meeting in Geneva in November. What members of this House and Canadians want to know in relation to the meeting that the minister is going to in Bergen is whether Canada will be moving on preliminary steps to stabilize the amount of carbon dioxide going into the atmosphere. The progressive countries, the countries that are alert to the nature of this threat, are seeking consensus and the United States is seeking to break that consensus.

Will Canada be on the right side of this issue or the wrong side?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, I will have the pleasure of being in Bergen in good company. As a matter of fact, it will be my pleasure to be there with two hon. members of the opposition and we are very happy to welcome them. I invited them with us because I felt this is a non-partisan issue and we should not repeat the kind of debate being discussed here in foreign countries. I trust that we have the full support of those colleagues.

This conference, I repeat, was never meant to announce specific commitments by any government on the CO_2 reduction issue. It is a conference in view of the Brazil conference in the following the Brundtland commission report.

This government has made a commitment that in *The Green Plan* this fall there will be the announcement of targets and schedules to reduce CO_2 emissions.

There are two reasons for doing this. The first is that all the countries in the world have said that they need to be provided with the IPCC report, in August, before making commitments. Second, we Canadians have engaged in a broad consultation process to learn what Canadians think and expect in regard to CO_2 reduction measures. We will respect the process. We believe that we must respect Canadian opinion, support and consultation on this. When we are ready, and we have announced that it will be in the fall, we will announce the commitment.

So we will not be there to create expectations. We will be in Bergen to support the countries, in view of the Brazil convention, and for the implementation of overall sustainable development measures.

Mr. Jim Fulton (Skeena): Mr. Speaker, I think most members of this House are now aware that the implications of greenhouse warming mean that some entire nations on this earth could disappear beneath the surfaces of the oceans. That is a fact and it has been represented by many scientists in world fora.

My question to the minister is a very simple one and he does not need to beat around the bush. We have lost two years since Toronto. It is two more years until Brazil. During that four-year period we could have done a great deal to reduce particularly the amount of carbon dioxide emissions in the atmosphere.

Is the minister telling this House that while he is in Bergen on behalf of Canada he will support consensus for the reduction of carbon dioxide emissions?

Hon. Lucien Bouchard (Minister of the Environment): Yes, Mr. Speaker, we will support the consensus to reduce CO_2 emissions and we will support what was established as the process in Nordvik a few months ago, the necessity of making precise commitments after all the countries are provided with the IPCC report.

Let us remind people that this report will be the end result of a very important and intense effort to gain scientific knowledge and reach conclusions on the extent of the phenomenon of global warming.

I think before issuing such threats as the disappearance of countries under the sea, my colleague should wait until he has the report. We know that there is some measure of scientific uncertainty. We Canadians feel that, while we are uncertain, we must subscribe to an insurance policy and announce during the fall precise commitments in terms of reduction of CO_2, and we will be doing just that. I can tell you that we will be one of the few countries in the world to do that.

Mr. Jim Fulton (Skeena): My final supplementary question is for the same minister, Mr. Speaker. The minister has endorsed the Brundtland directive that full environmental assessments apply to both policy and projects in order to achieve sustainable development.

Can the minister assure this House that this will be fully honoured in the EARP legislation soon to be tabled in the House?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, the government has made a commitment to present to Canadians a set of new measures to address those issues and to set up mechanisms to assess projects, policies and programs.

New measures are being drafted by the government and when they are ready, which will be very soon, certainly before the end of the session, we will announce what we have in mind and propose them to the country.

* * *

• (1430)

THE ECONOMY

Mr. Douglas Young (Gloucester): Mr. Speaker, my question is for the Minister of State for Finance.

In view of the fact that the Governor of the Bank of Canada has stated repeatedly that confidence in the Canadian dollar is one of the cornerstones of his monetary policy, and in view of the fact that representatives of the Canadian Manufacturers' Association and presidents of leading exporters in the pulp and paper industry and the mining industry are stating categorically that they need a reduction in the value of the Canadian dollar in order to survive, how can the Minister of Finance expect Canadians to be confident with the government's monetary policy when it is faced with such reservations by leading Canadian business leaders?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I believe that these people are not saying anything other than what we are saying: the interest rates have to come down. Except, instead of believing in a rather magic or ill-defined solution as proposed by the opposition, we are using a monetary policy which is very clear, which is addressing the problem, and which will cause the pressures to come down in Canada. Then, with the inflationary pressures coming down, we will be able to lower the rate of interest and make sure that our economy continues to prosper.

[*Translation*]

Mr. Douglas Young (Gloucester): Mr. Speaker, I have a supplementary for the minister. Since the Governor of the Bank of Canada says he is not at all sure when the situation will be such that he will be able to lower interest rates, could the Minister of State (Finance) perhaps tell Canadians when the government is going to realize that its monetary policy is creating a disaster situation for Canadian exporters?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, I can inform the hon. member for Gloucester that inflation is the greatest threat to our exports, our economy and to progress in all our regions. He knows that perfectly well. We saw what happened under the Liberals, at the beginning of this decade, when we had interest rates in excess of 20 per cent and spiralling inflation. We don't want that to happen again. It is our policy, and we support the Governor of the Bank of Canada, whose policy is intended to take the steam out of an over heated economy that has been growing for six years and reduce the pressure, so that we can start a new period of growth in which our economy will make spectacular strides.

* * *

[*English*]

GOODS AND SERVICES TAX

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my question is also for the Minister of State for Finance.

An information flyer is going out to every household in the country, at taxpayer's expense I might add. Its purpose, we are told, is to give some straightforward answers about GST.

The flyer states that Canadians pay $700 a year in hidden taxes. It neglects to say that Canadians will be paying $400 more a year in taxes after the GST is imposed and that this tax will probably be hidden in most cases. Does the minister realize that this pamphlet is misleading Canadians?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, we would not print such a thing because it is not true. The tax reform we are introducing is excellent for

the economy of Canada, particularly for the lower income family.

We have been receiving more than 250,000 calls—we simply believe our tax is getting to be more and more popular—asking us for information. We are providing it to Canadians, as the hon. member has indicated, but why should we go out of our way to tell things that are untrue? Families with incomes of below $30,000 will be better off after tax reform than they were before.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, the minister is right: the flyer does state that the GST credit protects modest income families, but studies by Global Economics have revealed that families with income under $30,000 a year will be worse off after the GST than they are now. Furthermore the tax credit is not fully indexed.

Mr. Gauthier: Aha.

Mrs. Marleau: Does the minister not realize that this is misleading Canadians?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, whenever we discover whatever the policy of the Liberal Party is maybe we can send out a pamphlet on it to allow Canadians to see it.

Some hon. members: Oh, oh!

Mr. Loiselle: We are beginning to realize that our colleagues across the floor are beginning to believe us. They say that maybe they are telling the truth but it is not indexed. Maybe in a couple of years it will be different. They are beginning to see the light.

Another thing that they seem to forget is that the reform by the removal of a hidden negative tax for an exporting country like Canada will inject into the economy $9 billion of new activity. This is a very good thing for medium income families.

* * *

GOVERNMENT CONTRACTS

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Deputy Prime Minister.

In the face of clear public evidence that Roch LaSalle, while he was Minister of Public Works, accepted money from contractors who were seeking his favour, the Deputy Prime Minister has again today refused to have a full public inquiry into this matter. It was refused in 1986 and it was refused in 1989. The government has refused an inquiry into the Gravel affair, the Grisé affair, and now the Roch LaSalle affair.

What is the government trying to hide?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as I just indicated a few minutes ago, I believe in response to the same question, obviously the RCMP is aware of the allegations that were made yesterday. I am informed that the RCMP is looking into it.

Mr. John Brewin (Victoria): Mr. Speaker, the RCMP has been aware of these allegations for a number of years, let alone a number of months. The question is: Why was Roch LaSalle not charged?

Mr. Speaker: It may or may not be a question, but it is not an appropriate question to put to the government. The hon. member who is a lawyer knows perfectly well that the administration of justice is not conducted by cabinet ministers or the treasury bench deciding who should or should not be charged. The hon. member may have a question which is in order, but it will have to be corrected.

Mr. Brewin: Will the government be prepared to hold a full public inquiry into the conduct of the administration of justice in the Roch LaSalle question and into the other issues that are undermining the confidence of the Canadian people in the administration of justice?

Hon. Pierre H. Cadieux (Solicitor General of Canada): Mr. Speaker, as I have indicated twice, allegations were made yesterday. The RCMP is aware of those allegations and I am informed that it is looking into it.

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THE ENVIRONMENT

Mr. Rex Crawford (Kent): Mr. Speaker, my question is for the Minister of the Environment.

Last year the minister described global warming as the most serious threat facing the world. He later added: "We cannot wait for all the answers because we may not get another chance to turn things around, the risks are that high."

Why is the government going across the country to talk with Canadians on *The Green Plan* while, we learned in yesterday's leaked memo, it is making secret back room deals that are reducing Canada's commitment to the environment?

Hon. Lucien Bouchard (Minister of the Environment): Mr. Speaker, Canadians want to speak about that matter.

In the last week we have conducted 30 information sessions during the consultation process. Just this week in Winnipeg we had more than 500 persons attending one of the information sessions. This is not the full consultation process; this is one of the many information sessions we have had. We had 500 persons attend one of those 30 meetings. It means that Canadians are very willing to take part in the solution and that they will be intensely active in this very important consultation process we will launch in a few weeks from now.

What we are doing is democratic. What we are doing is strong for the environment, and it will provide the country with a very serious and profound action plan.

Mr. Rex Crawford (Kent): Mr. Speaker, my supplementary question is to the same minister.

The people are interested. Unfortunately *The Green Plan* is already weathering.

• (1440)

How can the minister on one hand be in the process of convincing Canadians nation-wide about the crucial importance of cleaning up the environment and taking action now to abandon efforts to combat global warming?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, let us be serious and responsible.

We all know there is a problem. Now we need to implement the solutions. The solutions will call for sacrifices. They will call for sharing the burden. Canadians must be part of that. We cannot deliver speeches or put questions like that in the House without thinking about the kinds of solutions that will have to be implemented.

We need very important resources. We will need participation. We will need change of behaviour. This calls for the support of Canadians, and we will get it in coming weeks.

PRESENCE IN THE GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of Manuel Marin Gonzalez, Vice-President of European Communities and Commissioner for Fisheries and Overseas Development.

Some hon. members: Hear, hear!

Mr. Speaker: I also wish to draw to the attention of members the presence in the gallery of Mr. Ivan Carnogursky, Secretary General of the Christian Democratic Movement of Slovakia and a delegation of parliamentarians.

Some hon. members: Hear, hear!

* * *

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the Minister of Fisheries and Oceans who is fresh from his tête-à-tête with the Vice-President of European Communities and Commissioner for Fisheries and Overseas Development.

Are the Europeans finally beginning to comprehend the misery, the havoc that their piracy off Newfoundland is inflicting on our people and on our fish stocks? Are our fishermen and plant workers any better off as a result of this morning's meeting, or was Manuel Marin in the driver's seat again this morning, as usual?

Hon. Bernard Valcourt (Minister of Fisheries and Oceans): Mr. Speaker, I think the hon. member and members of the House will be pleased to know that our working session with Mr. Marin is not over. It will continue right after Question Period.

I think we can look forward to progress being made. As the hon. member ought to know, since Mr. Marin has taken his position at the European commission, we have seen the commission lower its quota. It is not to our liking, but we are still having discussions with the commission and I am optimistic that we can make some progress.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, they lowered their quota; they are only stealing four times as much as they are supposed to now.

I have a question for the Minister for International Trade.

An hon. member: They are not stealing.

Mr. Simmons: If they are stealing, I would have the guts to tell them in their presence.

Some hon. members: Oh, oh!

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Simmons: I ask the Minister for International Trade who so far has come up empty handed every time he tries to beat some sense into the Prime Minister on this issue.

The Prime Minister meets with Mr. Marin later this evening. As the minister demanded of the Prime Minister that he finally stand up for those 100,000 fishermen and plant workers, does the minister fear as I do that once again the Prime Minister will see the meeting as a further opportunity to fabricate his international reputation on the—

Some hon. members: Order!

Mr. Speaker: The hon. member for Prince Albert—Churchill River.

* * *

AGRICULTURE

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is directed to the Minister of Agriculture. We see reports today that the minister and the Premier of Saskatchewan left their supper meeting yesterday with smiles on their faces. The farmers on the Prairies are not smiling because they are still caught in the phoney war between the federal and the provincial governments with respect to this long promised money.

The minister has argued that the provinces have to get involved to get more money to farmers. On the other hand, the farmers need that money now. Therefore, I ask the minister at what point he will end this game of arm-wrestling between the federal and provincial governments and get some money to the farmers, even if he has to go it alone? When will they see some real money? When will there be some money in the hands of farmers?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, for the information of the hon. member, it was not a supper meeting, it was a meeting that took place yesterday afternoon.

We talked about the short term assistance package. We also talked at great length about the need for a long term stabilization and safety net. This is the subject of a committee which has brought down a number of recommendations for consideration by the ministers. We will consider that report at our meeting on May 18.

The Premier of Saskatchewan would like to see the short term assistance program phased into a longer term stabilization and/or safety net, which would provide the kind of confidence and security for the future.

I took the opportunity to indicate to him that the representations we received really reflect the multi-faceted nature of the problem. Most of the representations we receive in our office indicate that drought is the most serious problem.

There are other problems with respect to debt, the input costs. Low prices is one of considerations, but not the top consideration. I also took the occasion to stress to the premier the need for provincial government co-operation in terms of the design of the program, the delivery of the program and cost sharing. I think it was a very productive meeting.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, the Minister of Agriculture is aware that interest rate increases in the past two years alone have taken about $460 million out of the agricultural economy in western Canada.

Does the Minister of Agriculture not realize that this farm financial crisis is a result of reduced income and high debt, that he must release this $500 million that he has on the table immediately, if for no other reason than to make up for the losses suffered by the farm community caused by his government's high interest rate policy?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is quite true. We do have $500 million ready to be distributed. We want the support and assistance of the provinces to get as much money as we possibly can into the hands of the farmers. If the provinces were to match the $500 million that would

mean there could be $1 billion unleashed into the provincial economy.

I find it rather strange. If the hon. member is trying to defend the interests of the farmers, why does he not stand up with the federal Minister of Agriculture and try to lever the provinces into coming on board with this program so that we can get more money into the hands of the producers, and in a very timely fashion, because that is what is required. I urge the hon. member to support us in this cause.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the Minister of Agriculture is asking for co-operation to talk to the provinces.

Is he not aware that the Prairie provinces have already received substantial cut-backs in transfer payments from his government? The province of Manitoba received close to $100 million alone. Is he not aware that these governments have already made major additions to their agricultural budgets? Is he not aware that they are losing 10,000 to 15,000 people per year?

Is he not aware that these are poor provinces that do not have the necessary resources and it will require a major national effort to save the grain economy of western Canada? Is that not the reality of western Canada, and that all the government is trying to do right now is divide and conquer the Prairie provinces and stop the Prairie farmers from planting as they should do right now, this week, with proper resources?

• (1450)

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it is nice to see that the hon. member defends the interests of western Canada. When he was a member of the government in office, he sat idly by and saw $5 billion annually extracted from the province of Alberta through the National Energy Program. He said nothing. He did absolutely nothing.

I indicated to the hon. member before, we have $500 million. That is the extent of our resources. We are simply asking the provinces to help us in terms of additional programs which would help in dealing with the income deficiency problem and/or with cash.

We have had very productive discussions with the province of Manitoba and with the other provinces as well. Yesterday the premier indicated that he wanted to have a meeting between myself and the three prairie ministers of agriculture. I am prepared to meet with them to see whether we can work out a satisfactory program. I remind him that the federal government's capacity to borrow is limited as well. We pay 35 cents of every taxpayer's dollar we receive to pay the interest on the debt that was left to us as a legacy of the Liberal government.

Some hon. members: Oh, oh!

Mr. Mazankowski: Mr. Speaker, in the case of—

Some hon. members: Oh, oh!

Mr. Speaker: Perhaps the minister can carry this on when we hear the next question. The hon. member for Winnipeg South Centre.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, as a supplementary, and just by way of trying to help the minister with his history lessons, I was also the minister responsible for putting $3.6 billion into the prairie railway system to help our farmers move their commodities to market. It is something the hon. member was never able to do.

I want to come down to a simple reality. The minister says he has only $500 million. I want to know when he is going to give it to the farmers. Why is he waiting until it is too late for the farmers to plant? Why is he going to wait until it is too late for them to get the seeds in the ground? The farmers need their money now. The government is simply trying to play a divide and conquer game with the provinces. Will this minister change his tactics, change his formula and change his approach so the western grain economy will not go down the drain because of this government?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): We have seen a bit of a flip-flop here, Mr. Speaker. A couple of days ago he asked me to put the $500 million into a contingency fund. Today he tells us to pay it out now with no strings attached. We want more

than $500 million to be distributed. I invite the hon. member to help us in convincing the provinces that they should come onboard so the farmers can get more money and get it fast.

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FORESTRY

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, my question is directed to the Minister of Forestry. Given the forestry minister's responsibility to protect the interests of the forest sector, and given the disastrous effects on that industry of the government's high dollar policy, what measures is the minister taking to help ensure that the high dollar will be lowered or, at the very least, what measures is he proposing to offset the harmful effects of this policy on the forest sector?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, as you know, the forest ministry has been equipped with a new forestry act, but it is not envisaged that this new act embrace the authority or jurisdiction over fiscal monetary matters.

I can tell the hon. member that we will continue to work closely in strategic partnerships with the provinces and the industry to make sure that through research, through the restoration and improvement of our timber stands, the industry can retain its health and dynamism.

[*Translation*]

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, my supplementary question is for the same minister.

While the minister has admitted to us that he is unable to offer the forestry sector any relief for the high dollar value, could he at least tell us why the six Forest Resources Development Agreements have not yet been renegotiated? When will they be renegotiated? Why laugh at the industry and the provinces in such a way?

[*English*]

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, some of the agreements have been negotiated and signed with the province of New Brunswick. The province of Nova Scotia has agreements. As to the other Atlantic provinces, some of the agreements are still in place.

Negotiations and discussions are continuing to get all the agreements throughout the country in place before they cause any disruption in the important task of restoring and replenishing the areas of our forest land which has been overcut and not properly restocked.

* * *

GOODS AND SERVICES TAX

Mr. Jim Karpoff (Surrey North): Mr. Speaker, my question is for the Minister of State for Finance.

It concerns some straight-forward answers about the goods and services tax. I would like the minister to explain why the ad states that there is no impact on housing affordability when the government has already admitted that there will be an increase of $450 on a new home.

Other reliable organizations, particularly the Canadian Home Builders' Association, have documented that there will be an increase of at least $3,000. I would like a straight-forward answer from the minister: Does he believe in truth in advertising?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, we say in this brochure what we have been saying from the start.

The impact of the GST on housing will not create an additional impediment to affordability, and this is the case. I could give the hon. member a lot of numbers. For example, the net effect on monthly mortgage payments on a typical house purchased in Halifax will $2 a month. The hon. member can tell me if this is really an impediment or incapacity to the affordability of houses.

In North Bay it will be $1 less, and in Regina it will be $4 more. This is the kind of impact we are talking about. The general impact will vary by about 1 per cent. This is not an impediment to the affordability of housing.

Mr. Jim Karpoff (Surrey North): At least the government has been consistent.

Again today, the Canadian Home Builders' Association has asked the government to disclose the detailed calculations on the GST and the price of new homes. Again the government has refused.

Will the minister explain why the public should believe his figures when he consistently refuses public disclosure? What is he trying to hide?

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, we are not hiding anything.

This has been discussed at length in the technical papers. Even in this House time and time again, the Minister of Finance indicated what effect the present manufacturers' sales tax has and what effect the reform will have. He said the difference between the two would be an over-all impact of about 1 per cent. It will vary from region to region, but on the whole these numbers are very precisely reported in the technical papers.

Certainly, it will not adversely affect the affordability of housing. That is nonsense.

* * *

[*Translation*]

PROGRAM FOR OLDER WORKER ADJUSTMENT

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is for the Minister of Labour. The one elegibility requirement under the Program for Older Worker Adjustment is that, in cities with a population of 500 000 and over, at least 100 workers have been laid off. Does the minister know that 98 per cent of Canadian businesses have less than 100 employees? Will he review that discriminatory requirement which hurts small business workers living in cities with a population of 500 000 and over?

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transports)): Mr. Speaker, I would like to remind the hon. member from Saint-Léonard that the Program for Older Worker Adjustment is a joint program that has been negotiated with all the provinces in Canada. Its aim is to help workers 55 years old and older who are collectively laid off, their layoff having such an impact on the community that they have very little chance of relocating. I would also like to point out that the program meets those criteria as well as the objectives that led to its implementation.

• (1500)

Mr. Alfonso Gagliano (Saint-Léonard): My question is directed to the same minister, Mr. Speaker.

My colleagues in the metropolitan region of the Quebec National Assembly have told me that the Quebec government is prepared to change these criteria. Will the minister negotiate with the Quebec Minister of Labour so that workers in the metropolitan region of Montreal might have access to this program?

Hon. Jean Corbeil (Minister of Labour and Minister of State (Transport)): Mr. Speaker, discussions were held with our colleagues of all provincial governments before POWA legislation was drafted. If Quebec government officials are indeed prepared to negotiate, I wish they would do so directly with the minister rather than through the member for Saint-Léonard.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, on Thursday the Speaker of the House— not the Speaker of the House but the government House leader—

Mr. Andre: The next one.

Mr. Gauthier: God help us!

Mr. Robichaud: Don't get carried away!

Mrs. Maheu: Don't overdo it!

Mr. Gauthier: The House leader usually gives us an indication concerning business for the coming days. I would ask him to tell us the House business for tomorrow, Monday and Tuesday next.

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to say that tomorrow I will be calling Bill C-18, the bill to set up a department of multiculturalism for the completion of third reading, hopefully.

On Monday, I will be calling Bill C-65, the borrowing authority bill, for report stage. I will continue with it on Tuesday. Hopefully, we will be able to complete report stage and third reading in that time.

Either Wednesday or a day later in the week will probably be an allotted day.

I would like to have consideration of report stage and third reading of Bill C-57 which deals with integrated circuits.

As well, if returned from committee, I would like to deal with Bill C-34 which deals with the management centre for the public service.

[*Translation*]

Mr. Gauthier: Madam Speaker, I have a supplementary question. I would not want to raise this issue every day, but once a week should do it.

Can the minister tell us if consultations to find a good Deputy Speaker—we have a good and even an excellent one, but he cannot take the chair—

Mrs. Maheu: A female Deputy Speaker!

Mr. Gauthier: Can we rest assured that the government will act fairly soon on this so the House may have a Deputy Speaker, male or female?

[*English*]

Mr. Andre: Yes, Mr. Speaker, there are negotiations and discussions actively under way. I am pleased to report that an announcement will be made soon.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I, too, have a question for the hon. government House leader.

The Minister of Environment, in his remarks during Question Period, indicated that legislation would be forthcoming with regard to the environmental assessment review process.

Could the House leader advise the House, for scheduling purposes, when we might anticipate that legislation being tabled? Will it be next week, for example?

Mr. Andre: Madam Speaker, I am not able to give a precise answer to that question. It is certainly the intention of the government, as indicated by the Minister of the Environment, to have that legislation brought forward at least for first reading and consideration by this House and the public as soon as possible.

It is literally a question of drafting and getting it in shape for presentation in the House. That is going to be done as soon as possible. I cannot be more precise than that, I am sorry.

Mr. Angus: Madam Speaker, just for further clarification, is it the House leader's understanding that the legislation will be tabled before we break for the summer?

Mr. Andre: It depends on when we break for the summer, but, yes, it is hoped that that will occur before we break for the summer. Hopefully, the break for the summer will not be beyond the intended time, if you will. We are certainly looking to do it as soon as possible, and certainly before we do depart for our constituencies for the summer.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY, S. O. 81—NORTHERN CANADA

The House resumed consideration of the motion of Mr. Nault:

> That this House condemn the government for its lack of commitment to northern Canada and for its failure to treat Northerners fairly and equitably as demonstrated by:
>
> (1) its lack of commitment to economic diversification;
>
> (2) deserting northern Ontario by slashing VIA Rail services;
>
> (3) abandoning all northerners with its regressive unemployment insurance legislation;
>
> (4) planning the cancellation of the northern residents deduction for isolated areas;
>
> (5) imposing a 15 percent export tax on softwood lumber;
>
> (6) cancelling the mining depletion allowance and flow-through share benefits for mining exploration;
>
> (7) imposing a goods and services tax; and
>
> (8) failing to implement adequate adjustment programs for single industry towns.

The Acting Speaker (Mrs. Champagne): Resuming debate with the hon. member for Sudbury.

Mrs. Diane Marleau (Sudbury): Madam Speaker, I rise today to address the motion of my party which states:

> That this House condemn the government for its lack of commitment to northern Canada and for its failure to treat Northerners fairly and equitably—

I might add that with a motion such as this we could add all regions of the country that are not centrally located. Regions such as Toronto, Montreal, and Vancouver seem to fare quite well.

We in northern Ontario suffer from a lack of proper transportation. VIA Rail services have been cut and we are all very much aware of that. This imposes great hardships on many communities in the north.

When the Conservatives came to power, they privatized Air Canada. As a result we now no longer have the benefits of Air Canada in any place in northern Ontario, except Thunder Bay. This means that we have lost some prestige. Some might say this took place because Air Canada was not making a profit in some areas. But I can tell you from my days on city and regional council in that area that we commissioned a study back in the early 1980s which proved to Air Canada that it did make a profit and it stayed on in the community.

With a lack of commitment to anything but privatization, Air Canada now feels that it does not have to worry about these markets. After all, we are captive market. We pay more and have less service, but there is very little we can do about it.

We have talked about the GST and the kinds of hardships that will be imposed on northern communities by it. Today, during Question Period, I spoke about a flyer and some straightforward answers about the goods and services tax. It mentions that in some instances consumers will have to bear the full brunt of the 7 per cent. It mentions dry-cleaning and movies, but the flyer neglects to mention that hydro and heating bills will bear the full brunt of the 7 per cent goods and services tax.

When one lives in a northern community, one's heating and lighting bills are high. The further north you go, the higher it is. There is no getting away from having to bear the full brunt of that goods and services tax. We have spoken with people from Ontario Hydro and the heating industries. There is very little manufacturers' sales tax buried in their rates now. There is no argument when these people say themselves that they are going to have to increase their fees because of the goods and services tax. They are sending out notices now stating that someone living in the north will have to pay far more because of this tax than someone living in the south.

Back in the fall, I asked a question of the Minister of Finance in which I explained that the goods and services tax will add a great burden on people in the northern and more remote areas of the country because the cost of transportation will be taxed.

At that time, the minister was not completely aware of the effect of the cost of transportation on goods. He said that the merchants can claim a credit for the tax they pay on transportation. The fact of the matter is that the cost of transportation is included in the final price of the goods. The 7 per cent tax is added on to the final price of the goods. So, you do pay more if you live further away.

There is not only that, but your goods are less attractive. If you produce goods in the north, then you have to ship them. There is a higher transportation cost in the beginning to reach the larger markets. These people also have to bear the brunt of additional GST on a higher end result price. There is absolutely nothing in the GST that is of any use to people in Canada, especially not for people in northern Ontario and the more remote regions of the country.

There is no incentive for people to invest in some of the resource industries in the north. We have talked specifically about the cancellation of the Canadian Exploration Incentive Program. This was a form of subsidy for junior mining companies to go out and explore some of the sites in northern Ontario. The total amount of money now being spent on exploration has decreased, and decreased drastically. It will continue to decrease until only the large mining companies will be doing exploration. They will continue to do exploration. In 1987, we were benefiting from $1.2 billion in mining exploration. That figure will go down to about $400,000 by the year 1991.

• (1510)

We talk about retraining. We say people want to be retrained. Yes, they do want to be retrained, but they want to have a job to be retrained to. In a community such as Temagami there are the wood and mining industries. The wood industry is suffering greatly because of the 15 per cent surtax on softwood lumber. One of mining sites in Temagami was closed down just recently.

What do we say to the people of Temagami when we tell them we will retrain them? What are we going to retrain them to do if there are no jobs there? If we do not create incentives for people to create jobs in these areas, they are going to have to move. Do we tell a family: "Sell your house. Move to Toronto"? How can

they afford to buy a house or live in Toronto? These are very difficult choices that we must ask these people to make.

Furthermore, there are pressures in asking anyone to move to Toronto. There are pressures for social housing. It is not worth the incentive to move them to Toronto. It is far costlier to keep a person in Toronto than in an area where they have affordable housing.

The government has to change its mind-set. It has to decide that it has a commitment to northern Ontario, and to the regions of the country. It can do that, first, by enhancing diversification programs so that companies will be anxious to locate in these areas. Second, it can provide infrastructures such as transportation so that the goods that are produced in these areas can more readily reach the larger markets. That is absolutely essential. It is essential that all levels of government sit down together to map out some kind of plan. We cannot just say: "There is nothing we can do. Business will rule all." If business rules all, then there is no hope for anyone in this country. They will all move south.

I ask the government, please, to reconsider its stand. Any time there are any cut-backs in jobs at the federal level, offices in northern Ontario are closed. The Government says: "You can call Toronto or travel to Toronto, or you can travel to Ottawa". That is great if there are the facilities to travel and the money. But it does make the cost of doing business in northern Ontario much higher.

Just recently, Consumer and Corporate Affairs closed an office in Sudbury. All bankruptcies and trusteeships are now handled through a Toronto office and a Toronto number. This causes an additional aggravation which the people of northern Ontario do not deserve.

If there was any way possible to bring in some programs which would offer incentives for jobs to be created in northern Ontario, or in any of the other far-reaching regions of the country, then that would be the answer. Take the Atlantic provinces, for example, which are suffering. Take some of the western provinces and their agriculture. There are problems there.

Perhaps the government will wake up and realize before it is too late that it has to consider seriously pushing Mr. John Crow into easing his high interest rate policy and letting the value of the Canadian dollar drop somewhat to a more reasonable level. Then those exports which are vital to the northern communities would be allowed to trade at a reasonable profit and more jobs could be created.

I have to end my remarks now and say that, after this morning's meetings with Mr. Crow, I am not at all optimistic that Mr. Crow is going to consider reducing his pressure on high interest rates. I would think that Mr. Crow is watching the Toronto market and even the Toronto market is suffering because the manufacturers are shutting down in all these very important aspects of our economy.

I suggest that we condemn the government for its complete and total lack of action. It is not only a lack of action, but an action in reverse by cutting back programs to the regions. I ask that the government reconsider and give everyone a chance.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I wish to ask my colleague a question, after listening to her very enlightened remarks. She recognized the seriousness of the Conservative government's policies and the negative impact they have on the people living in the outlying regions of this country. These actions are really dividing us, not only rich and poor but also regionally. They are having a very negative effect on everyone.

When I travelled with the VIA Rail task force we were up in the Gaspé. I heard about the very serious problems that exist for the handicapped and for children in need of treatment who had to get to Montreal. I presume they would have to go to Toronto or other major centres if they come from other outlying districts. It is impossible to travel in comfort by bus, according to them, and I can understand that. Travel by car is often very difficult both in terms of the weather and in terms of the cost. Planes are very expensive, and I need not underscore that point.

What are people doing now that the services of VIA Rail have been cut? How are the needy, in terms of physical and mental health, seeking the kind of services that they require, let alone all the other aspects that you have looked at?

Mrs. Marleau: Madam Speaker, that is a very good question. I want to say to my hon. colleague that I have a nephew who is severely disabled. He was explaining to

me the difficulties he has in taking a bus. It is absolutely impossible for him to take a bus to travel to Ottawa or Toronto. For him to get on an airplane now is also very difficult because the Air Ontario planes are much smaller. There is very little room. They need a certain number of days for an advance booking. It is quite a procedure. It is a very demeaning procedure also, which I think is the most difficult thing of all for him.

There is no real way for him to travel except for his parents to transfer him to the car and drive him to wherever he has to go. The problem with this nephew of mine is that he is now in his thirties and his parents are now in their sixties. It is becoming much more difficult for them to do this for him.

Train travel was the answer for him. When there is a severe medical problem there are air ambulances and the like. That of course applies across the province of Ontario. It is a provincial initiative used only in extreme cases where a person's health is in danger. The Government of Ontario through medicare will help cover the costs of that. So in that sense he is protected.

It is the more mundane acts of ordinary living that are very difficult for these people. The lack of adequate transportation does not enhance the situation. It is a detriment to them becoming more mobile and more self-sufficient as they should be.

I thank the hon. member for that comment.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I am happy to have the opportunity to speak on this opposition motion.

When we talk about condemning the government for its lack of commitment to northern Canada and for its failure to treat northerners fairly and equitably, I want to stress that we are talking about all regions of northern Canada.

I want to start by telling Canadians about an experience that I had two weeks ago when I was in Gravenhurst, Ontario. I was speaking with people at Gravenhurst High School. We were talking about the environment. They were telling me that just three weeks prior to my visit the sewage treatment plant in the town of Gravenhurst, an antiquated plant about which they had been worried for many years because it was out of date and which, with the influx of population, was under stress, broke down and spilled 100,000 gallons of raw sewage into Lake Muskoka.

• (1520)

There may be some who do not realize this but the Lake Muskoka region is one of the most precious assets of this country. At first blush many people would not realize how serious this was for the whole community. Here is a community that depends on the purity of the clean water for that region. If that tourism feature breaks down, then there is absolutely nothing left in the region.

What I am sensing is that there is a general lack of commitment to address northern concerns. It is almost as if we are paranoid about the deficit. We are cutting all the time and refusing to be creative, or we are being penny wise and pound foolish. I am not just talking about the national governments, all governments are responsible here. Had that sewage treatment plant been replaced two to five years ago this incident never would have happened.

There is a litany of examples like this across northern Canada where I think we are really being negligent. Yes, it is important to be careful of the deficit and debt of this country, but I also think we have to be creative. One of the great features of northern Canada is its value in terms of tourism. As you know, Madam Speaker, tourism is the biggest job creator in this country. If we fracture the stability of our tourism industry in this country, then we are in serious trouble. That is going to add an even further difficulty to the national debt.

Sometimes when I see some of the small cuts that the government is making in its programs, I get a sense that it is really not thinking long term. For example, in the area of tourism promotion, there have been massive cut-backs by this government. This is an area in which we should not be cutting back. We should be increasing the dollars that we put into the promotion of tourism in this country. With the GST coming we are going to need a lot more tourism advertising to lure people here because the GST is going to be a massive disincentive. That tourism factor touches every northern region of this country.

In other northern parts of Canada we have concerns about the environment at James Bay. We also have the concerns of the Cree to consider.

The James Bay project is the largest man-made project in the history of the world. We have to make sure that not only the rights of the aboriginals but also environmental concerns are fully addressed. We must put the government on notice that we are not just going to let some kind of a quick assessment of the environmental problems create a rush on the Cree causing them to lay back letting the decision of the provincial government and the national government be the rule of the day.

We have seen time and time again where these rights and the environment have really been compromised. Fortunately, right now we seem to have a government which seems to be getting a sense that the people of Canada are absolutely dedicated to making sure that our government and all people in public office are committed to the environment. I say that in light of this government's Speeches from the Throne and its recent green plan. This is another area where we must keep the government on its toes.

The same problem exists in Barriere Lake where we have had to press hard to make sure that the rights of the Algonquins are protected.

As we move across to western Canada, we see problems in Athabaska and the Great Slave Lake where there is great concern that the effluents from the pulp and paper mills will be flowing into the north as well, something which affects the fishery and the life of the aboriginal peoples there.

We have a real litany of concerns in northern Canada. We have a government that is not being as sensitive as it should be. These are precious assets for Canada, for all of us and for our children into the next 20 or 30 years.

If we lose our commitment to these areas, there will be billions of dollars we are going to have to—

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, Madam Speaker with the House went up to the Senate Chamber.

• (1540)

[*Translation*]

And being returned:

The Acting Speaker (Mrs. Champagne): 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-16, an Act to establish the Canadian Space Agency and to provide for other matters in relation to space. Chapter 13.

Bill S-11, an Act to restructure the Eastern Canada Synod of the Lutheran Church in America under the name of the Eastern Synod of the Evangelical Lutheran Church in Canada.

Bill S-13, an Act to amend an Act to incorporate the Ukrainian Greek Orthodox Church of Canada.

The Acting Speaker (Mrs. Champagne): Pursuant to Standing Order 38, I must inform the House that the questions to be raised this evening at the time of adjournment are as follows: the hon. member for Thunder Bay—Atikokan—Air Safety; the hon. member for Gatineau—La Lièvre—Refugee Status.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY, S. O. 81—NORTHERN CANADA

The House resumed consideration of the motion of Mr. Nault:

That this House condemn the government for its lack of commitment to northern Canada and for its failure to treat northerners fairly and equitably as demonstrated by:

(1) its lack of commitment to economic diversification;

(2) deserting northern Ontario by slashing VIA Rail services;

(3) abandoning all northerners with its regressive unemployment insurance legislation;

(4) planning the cancellation of the northern residents deduction for isolated areas;

(5) imposing a 15 percent export tax on softwood lumber;

(6) cancelling the mining depletion allowance and flow-through share benefits for mining exploration;

(7) imposing a goods and services tax; and

(8) failing to implement adequate adjustment programs for single industry towns.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, as I was saying earlier, the government seems to be really missing the assets that we have in northern Canada. As I mentioned before we broke for Royal Assent, the greatest job creator in this country is tourism; our environment in the north, our water, our resources, our aboriginal peoples, Canada's first environmentalists are resources and assets that we cannot treat lightly. We cannot take them for granted.

This government always seems to be retreating from its responsibility, whether it is unemployment insurance, VIA Rail or selling off Crown corporations. One day the government states that they are being sold off because they are not making money. Then Canada Post makes money, but it is going to be sold off. There is a total lack of consistency in terms of its financial planning.

I am concerned that our north, right across Canada, is going to be put into jeopardy. We on this side of the House are concerned. As my hon. colleague from Thunder Bay said earlier, it should not be that just because a city in the north is having difficulty that we shut it down and move everybody to Toronto or to Montreal. That is not the spirit that built this country. We are here for equality of rights and we are here for disadvantaged regions in every part of Canada. We should not allow this government to enshrine its principle of treating this country like a business, where if something does not make economic sense today it is shut down and things are shuffled around like they are pawns on a corporate chess board. That is not the way to run a nation. It is certainly not the way to run the north.

We on this side of the House condemn the government for its treatment of northern Canada.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, Earth Day was barely a week ago.

[*English*]

During the course of Earth Day, I had the occasion to meet a number of youth groups. I would say to my hon. colleague who comes from a large urban area like I do, you from Toronto and I from Montreal, that I was quite fascinated with these young people from an urban centre who were expressing serious concern. They wanted to know: "Is it true, Mrs. Finestone, that the land mass that they are going to flood to meet Vermont, New Hampshire and New York's electricity needs is as big as France?" I said: "That is a very good question. I think so." They said: "But why are we doing that to our land? And is it true, Mrs. Finestone, that that is where the aboriginal peoples live? Did they not first come and settle this country? Are they not the first peoples of land? I understand that they have complained and they feel that their rights have been abridged."

The other part of the question, which they did not raise but on which I recall very heated arguments and exchanges in the House with the present Minister for International Trade, was with respect to water and the inclusion of water in the free trade agreement. We are all living with some concerns about the heat wave that is supposed to be coming, the desertification of our land, and the greenhouse effect. All these issues would indicate that we have to husband the waters of the north, take care in conservation and in planning and the directions we wish to go in terms of public policy.

I know that my colleague, the hon. member for Broadview—Greenwood ran a very important seminar this summer which came out with some important decisions with respect to the environment. Did you address some of the questions that the young people asked me on Earth Day? Did you look at the implications of water in the free trade agreement?

Mr. Mills: Madam Speaker, I thank my colleague from Mount Royal for the question.

The very first time I spoke in this House I mentioned that I was absolutely paranoid about the section relating to water in the free trade deal. The Government of Canada has stated that water is not part of the free trade deal. However, I have listened to some of the best lawyers in this country and they say the exact opposite. In fact Clayton Yeutter has said on many an occasion that the real jewel in the free trade deal is that they have access to Canada's water.

As I suggested almost a year and a few months ago, if the Prime Minister of Canada were so confident that water was not part of the deal, it would seem very simple to put all of us at ease. He has a very good relationship with the President of the United States. He could say: "The people of Canada are concerned about water in the free trade deal. Could I please have, Mr. President, a one-page special protocol letter, which you and I will both sign, saying that water is in fact not a part of this

deal?" I have yet to hear a response from the government.

The real sleeper in the free trade deal, the thing that we must all keep our heads up for, is the section related to water.

As for your first question that your students put about the environmental concerns and the rights of the Cree, we have been studying this problem for years and years. There are legal minds on both sides of the issue. The Prime Minister's former principal secretary is now lobbying on behalf of the party going against the Cree. When heavy-hitters such as that are brought in, there must be some legitimate concern.

It is incumbent on each and every one of us on this side of the House to make sure that not only environmental concerns but aboriginal rights and the rights of the Cree are protected. We should not only be catering to Hydro Quebec and the eastern United States.

The Acting Speaker (Mrs. Champagne): I am sure the hon. member for Broadview—Greenwood was talking to the hon. member for Mount Royal through the Speaker, was he?

Mr. Mills: Absolutely. Pardon me, Madam Speaker. As time goes on I will get used to all the rules here.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, this morning when I saw the Orders of the Day, I noticed that the hon. member for Kenora—Rainy River had put forward a motion. It almost reminded me of a shot gun type of approach into which he figured he would throw everything. However, Madam Speaker, he missed one thing. I thought for sure he would have condemned the government because we had a lot of snow in northern Ontario this year.

I have been here since 1982. I had the opportunity to sit in opposition between 1982 and 1984. If you are a Liberal, you never have to say you are sorry and you never have to say you are wrong.

When a motion such as this one is brought forward, it gives me a great opportunity to show the difference between 1982 and 1984, 1984 up to the present, and exactly what changes have been made in northern Ontario.

Members of the House and those who are listening to this debate should go back a touch and focus on what has happened, because sometimes we forget.

• (1550)

Unemployment climbed from 358,000 in 1968 to 1,384,000 in 1984. That is before we were in power.

We have been hearing a lot about the bank rate in Canada in the last number of days and weeks. In 1981 it climbed to 21.24 per cent. The chartered bank prime was 22.75 per cent. A five-year mortgage was 21.75 per cent. If you are are a Liberal member, you do not have to say you are sorry. That is what happened up until 1984.

Let me review a couple of other fundamental issues just so we get this debate down to where it should be. Spending in the federal government climbed from $12.3 billion in 1968 to $109 billion in 1984. That is an average of 14.6 per cent. The deficit climbed from $400 million in 1968 to $38.3 billion in 1984. That is 96-fold increase. The debt of this nation climbed from $18.1 billion to $199.1 billion, an increase of 1,000 per cent.

You would almost think on September 5, the day after the 1984 election, just like a mushroom, all of a sudden it is the Tories who caused the deficit in this country, that there was never a deficit up until September 5, 1984. The truth hurts, but I think Canadians really have to understand why this government has had to make the changes it has.

We heard in the House today about unemployment. Let me review a few comparisons. In 1984 the annual unemployment rate in north eastern Ontario was 14.9 per cent. The annual unemployment rate in 1989 was 8.1 per cent. In northwestern Ontario it was 9.7 per cent in 1984 and 5.9 per cent in 1989. The unemployment rate in northern Ontario in 1984 was 13.6 per cent. That was after 15 solid years of great Liberal management. At the end of 1989, under a Conservative government—the bad boys, as they would like to convey to Canadians, and the people who do not know how to run the country—it was 7.5 per cent. I think those figure speak for themselves.

I would like to go through a couple of the areas that the member for Kenora—Rainy River wanted to talk about, for example, the lack of commitment to economic diversification in northern Ontario. Until 1984 if north-

ern Ontario wanted to deal with the federal government there was only one way to do it. We had to go to Toronto. Yes, we had a couple of offices in northern Ontario, but there was never a decision made in northern Ontario. The decisions were made either in Toronto or Ottawa, and they were usually too busy looking at booming parts of the country to worry about the concerns of dear old northern Ontario.

The Prime Minister, the minister for industry and trade at the time, the hon. member for Sault Ste. Marie, and the cabinet decided that it was time that northern Ontario was recognized as an area of economic development with its own program. It is the first time that northern Ontario has been recognized. It was recognized with a program called FedNor. Offices were set up in Thunder Bay, Sault Ste. Marie, and Sudbury with boards made up of local individuals, people from northern Ontario communities who discuss and know what projects should go ahead.

Since 1984 this government has contributed over $19 million to the economy of northern Ontario. That is over 300 projects that ensure the opportunity for northern Ontario companies and communities to be able to have their own say and their own direction. That has never happened before.

We do not stop at that. We have never stopped. We are continuing to work along that line. I heard my colleague from Broadview—Greenwood talking about tourism. I recognize that tourism is very important to northern Ontario and this government recognized it.

On November 23 of last year the minister of tourism made an announcement of an $8 million contribution to FedNor to be specially earmarked for tourism. The maximum contribution allowed under the program is the lesser of $500,000 or 35 per cent of capital costs for theme parks, ski centres, tour boat operations. It is the lesser of $100,000 or 35 per cent of capital costs for accommodation and marina projects. This never happened before. This happened because local individuals on a board representing northern Ontario came to the government, talked to the minister and said: "We need to have something that is going to help develop the infrastructure of tourism".

I would like to move on to another area we have talked about: the budget. The night of the budget it was put across northern Ontario by the opposition that FedNor was gone; the government had cut FedNor.

The government made one change in FedNor. That change is that projects over $100,000 will have an option which is plain and clear. It could be a loan repayable over five, ten or fifteen years on which no interest will be paid. If the board decides that that adjustment is not correct, it can be a straight grant. However, projects under $100,000 will continue to be seen as they were prior to the budget. We have increased FedNor by $14 million. Again I say to my colleagues who were crying wolf that they are wrong again. FedNor is strong. FedNor is there to support, and it will continue to support with extra dollars.

The part that is so troubling is that it is such a good program and that has been recognized. I wish the odd time my colleagues from the other side would take some time out and start to applaud it. The reason I say that is that I have a few figures here that I would like to place on the record.

Accepted FedNor assistance for electoral districts to April 12, 1990: For the riding of Algoma, 54 projects, $2,093,292 or 128 jobs created or maintained; the riding of Kenora—Rainy River, 36 projects, $1,386,660 or 148 jobs created or maintained; the riding of Nipissing, 20 projects, $3,855,994 or 425 jobs created or maintained.

FedNor has played an important part in bringing recognition to northern Ontario. The Marylin plumbing fixture plant will be built in North Bay, the first time a plant of this size has been located in northern Ontario. The efforts of the FedNor board and its employees enabled us to ensure that the infrastructure dollars were going to be there for that project.

I should mention that these are opposition ridings. They are not held by Tories. These are opposition ridings that this government believes in supporting. The Sudbury Nutrino Centre is a science centre, the only one in the world. This government has committed itself, from the Prime Minister with research and development, to the

minister responsible for FedNor, to the Minister of Science and Technology. We are committed to this project and to spending more than $30 million.

Two weeks ago in Thunder Bay we announced funding of $2 million to help get the Nordic International Games in Thunder Bay in 1995.

There are two other areas of FedNor I would like to take a moment to talk about. I have to watch how I say this, but we in northern Ontario have had a difficult time selling to the government, whether it is a stationery store, a furniture manufacturer, or a printing company. To be able to get on a list or to be able to get that opportunity at least to quote would be advantageous.

• (1600)

In 1986, under FedNor, we set up a procurement incentive program. An official based in Sault Ste. Marie works directly with the companies in northern Ontario to ensure they get the opportunity, are put on lists, and are informed of exactly who to call and how to fill out the quotation forms.

Furthermore, the Conservative government that members opposite would have people believe is so bad, will bring together on May 28, 29 and 30 here in Ottawa over 100 companies from across northern Ontario. They will be setting up displays, giving the opportunity for all departments to come and see what we have to offer in northern Ontario. That is a first. That, to me, indicates a real commitment to all the companies in northern Ontario.

There are areas in northeastern Ontario that are going through some difficult times. I can say that the town of Elliott Lake is having troubles. We are looking toward the advisory board and Pathfinders to ensure that everything can be done to help that community. My own riding of Timiskaming and communities within are certainly having difficult times.

Companies such as Dingwell's Machinery & Supply Company, which requires an investment of $430,000 will receive a FedNor contribution of $107,000 toward this sum. Company vice-president, Robert Bell, said:

> FedNor was great to work with. They supported us throughout the whole endeavour. They looked at it carefully to see if it was viable. They looked for stability, and feasibility.

That is what economics is all about. That is what this program is all about. That is what northern Ontario is all about.

I would like to move on to one other area. It concerns the 15 per cent surtax on softwood lumber. There is no doubt that the lumber industry in northern Ontario is going through a difficult time. There are a number of reasons for that.

It cannot be blamed only on the 15 per cent surtax. If the hon. member over there would understand what the combination is and listen, I will tell him exactly what the reasons are. For instance, the logging and hauling costs combined account for 64 per cent of the over-all costs of operation. Poor timber quality results in higher cost factors. There are higher sawmill costs. There has been a 30 per cent decline in sales to eastern U.S. markets since 1986.

The province of Ontario, through the 15 per cent that they get back from the federal government, which is supposed to go back to the industry, received $30,551 million in 1987. In 1988 it was $21,358 million, and in 1989 it was $17,710 million. That totals almost $68 million.

That money should have been put back into the industry to help with modernization and silviculture and help them through the difficult times. Instead what did the province do with $68 million that belongs to the industry?

Madam Speaker, it is easy to talk but when you look at the facts, they are clear. To put the blame on the 15 per cent tax is not the answer. You must look at the combination of reasons why the industry is in trouble.

If my colleagues in Toronto at Queen's Park are listening, I hope they will lobby the Minister of Natural Resources to come to her senses and join in with the rest of the Canadian provinces and the forestry companies, to sit down and negotiate a way out of this. Of all the provinces, Ontario is the only hold-out before we can do anything to negotiate with the Americans. The province of Ontario is the hold-out, but I can see why. Who would want to get rid of a $68 million cash cow.

Anyway, I would like to move on to deal with a couple of areas.

We hear a lot about unemployment and the fact that the unemployment programs are not correct. We know that the other place is holding up Bill C-21, a bill that is so important for regions of this country. It is a bill that would give the opportunity for adjustments whether in mining, the sawmill and particle board industry, agriculture or the expenditure of $350 million a year for training for an additional 60,000 people who would like to be trained. Additional training is available for modern

technology, which is becoming more and more important to be competitive.

I should mention that this government, under the former minister from Kingston and the Islands, made the right decision in formulating Community Futures Program through which communities have the opportunity to ensure that the programs for worker adjustment are there.

I would like to take a moment to describe the employment, training and data programs that are ensured in ridings such as Timiskaming and Algoma in northern Ontario in order to show what this government is doing. In the year 1988–89, the riding of Algoma has received "$7,946,000".

Again, it indicates that this government is certainly recognizing that ridings such as these should be supported. Kenora—Rainy River received $7,645,584 for such programs as employment training, job development, job entry, Challenge 88, skills shortages, skills investment, Community Futures, Innovation.

Madam Speaker, if you listened earlier today, you would think there was not a thing that this government is doing in northern Ontario. We are doing everything we can, but this government was left with an anchor around the neck. There was mismanagement of the economy by a government that was in power for 15 years. It did not care about the future and whether there was a debt left for our children and grandchildren. Spend, spend, spend. Spending is popular because it gets one elected. Those days are over.

Canadians recognize that we have a problem and that we have to make adjustments, whether it is under the free trade agreement, on our tax reform or on the goods and services. This government, under the leadership of the Prime Minister, the Minister of Finance, is making the correct moves. We are making sure that we will be able to challenge Europe in 1992. Our country will be able to challenge anybody around the world with regard to manufacturing, ensuring that we have a strong structure in place for our children and grandchildren.

I say again that this government has done more to ensure the stability of northern Ontario and other regions across this country in the last five years, and we will continue to do so over the next three years. I will say here right now that whether it is 1992 or 1993, Canadians are going to recognize what this government has done and that we have set the course for the next decade. They will be sure to elect this government one more time.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, I listened attentively to the member's remarks.

He began by saying: "Being Liberal means never having to say you are sorry." He had it almost right. What he really should have said is: "Being Liberal means never having to say you are Tory." He had it a little bit wrong. Notwithstanding those remarks, I want to ask a question of my colleague across the way, who made these vicious attacks against the Ontario Minister of Natural Resources, the Hon. Lyn McLeod. It concerns what he considers the failure of the Ontario minister to sign the Canada-Ontario forest agreement, which has a tremendous impact on my own constituency of Glengarry—Prescott—Russell. Only a few miles from Ottawa, we have the Larose forest, the second largest transplanted forest in the country, and I want to take this opportunity to invite all my colleagues to come and visit this beautiful Larose forest.

• (1610)

I want to read, to my colleague across the way, a letter I have in hand which was just received today, signed by the Ontario Minister of Natural Resources and addressed to the Minister of Forestry. It reads:

> Dear Mr. Oberle:
>
> Your recent remarks in the House of Commons about the Canada-Ontario Forest Resource Development Agreement were very troubling to me. In those remarks, you indicated that your Government was waiting for Ontario to indicate that it wished a renewal of that Agreement, and that Ontario was displaying little urgency.

That follows in line with what the member across the way was saying. Let us hear the truth, Madam Speaker. Here it is. The letter goes on:

> You surely know that this is not the case. Ontario has been pressing, at both Minister and staff levels, and on numerous occasions, for such action. My letter of December 19, 1989—is just one instance of our urging that the Agreement be renewed.

I want to ask the member across the way, how dare he make such a criticism against the Ontario Minister of Natural Resources, when it is his own government that is failing to sign that agreement with Ontario and failing to provide the leadership necessary for reforestation, not only in the north but all across the province of Ontario, including my own riding?

Mr. MacDougall: Madam Speaker, to the hon. member, if Liberals were popular they could probably have formed the government in 1984 and 1988. They sure did not do that.

Frankly, since 1984, this government has increased the budget for forestry by 300 per cent. It is finally starting to become apparent that the Ontario minister finally woke up and decided that she has to do something. For the last two years, we have been trying to get an agreement. We have done everything possible to ensure that the opportunities are there.

I know the Ontario Lumbermen's Association, the Sawmills' Association and the municipalities all want an agreement, but she has been dragging her heels. As she did in closing down Temagami if she had stood up and fought for the natural resource, fought for the fact of cutting and multi-use in Temagami, we would still have 80 jobs left in there.

She is not listening to the people of the north. She is being dictated to by the people of the south, and I hope someday she will wake up and start doing what is right for the people who live in the regions and ensure that the forestry opportunities are going to be there.

Mr. Sid Parker (Kootenay East): Madam Speaker, I also would like to pursue, with the member, the forestry agreement for British Columbia.

The forestry agreement for British Columbia expired at the end of March. There has been no effort by the federal government to sign the agreement with the province of British Columbia. For goodness sake, with all of these good programs that the member is talking about and all of the good work that the government is doing, is it not time that the federal government announced its proposal for the amount of moneys to be made available for British Columbia for its forestry programs so that the service groups that provide the seedlings and so on, can operate and manage their programs for the years to come? For the minister to—

The Acting Speaker (Mrs. Champagne): The Chair has difficulty with the hon. member's line of questioning.

The question should relate to the hon. member's speech and I have not heard the hon. member talk about British Columbia a lot in his speech. Maybe the hon. member would want to answer.

Mr. MacDougall: Whether it is a forest in northern Ontario or in British Columbia, I support it.

I should say that I know there are negotiations going on between the province of British Columbia and the Minister of Forestry. I would expect that, within a very short period of time, there will be some good announcements.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Madam Speaker, I listened very carefully to the hon. member's speech. In the motion tabled in the House this morning, we read, under item 1: "Its lack of commitment to economic diversification". I heard the hon. member mention FedNor, the program for northern Ontario. I also heard about all the benefits northern Ontario residents have enjoyed under this program.

My question is this: Was there any similar attempt under the previous government to develop a specific region, as we have done? Did that government take any concrete action, Madam Speaker? For instance, we introduced a plan for western Canada, for Atlantic Canada, and the "Plan de l'Est" for Quebec.

If this is so important to the Liberals and the New Democrats, were there any programs at the time to stimulate job creation and diversification of the economies of these northern regions?

[*English*]

Mr. MacDougall: Madam Speaker, prior to 1984, if someone in northern Ontario wanted to look into the expansion of a sawmill, an industrial welding shop, or a small business, their only opportunity would be to apply through Toronto. The applications went into a great big drum and, with any luck at all, at the end of the month, six weeks, or 12 weeks, they might have been recognized. In that period of time, there was so much red tape and so many hoops to go through that a year would be over.

One of our greatest concerns in 1984 was to ensure that we had a program in place so that individuals across northern Ontario, northwestern Ontario and northeastern Ontario, would have the opportunity to have counsellors who would move forward to ensure the programs were recognized and the applications received and reviewed by individuals in northern Ontario. This is what we tried to do.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, on the point regarding red tape, I support the hon. member. I still think there is too much red tape, even though we have a place in the north. He did mention some interesting pluses which we recognize. The Sudbury Science Centre is one of them.

Some of these infrastructure commitments he made are interesting. A plant in North Bay produces toilets for houses and industry, but we are not building houses because the economy is not going forward and there is a whole spirit where the entire nation is lacking in confidence. This is where the member is missing the point we are trying to make.

The hon. member has an interesting list of statistics, but somehow they are not translating into moving the nation, turning on the nation, or getting the nation excited. He cannot use the argument that the government inherited a debt because, yes, we did have a debt but this government doubled it from 1984 to 1988 with one of the best economies we have had in years. The GNP went from about 450 to 620 in a four-year period. It was fantastic. That is when it should have been making some of its cuts.

When I was talking earlier about tourism, I was talking about marketing. We are going to have to stimulate and work twice as hard to get people to come to the north. The signal we are sending out regarding the problems we are having in terms of national unity and the GST is a bit of a nightmare for some American tourists.

An hon. member: For everybody.

Mr. Mills: We will have to do something totally different from what we have done in the past. This is what concerns the people and it is reflected in the fact that about 85 per cent of the people in the country at this moment lack confidence in the government. I dare say it could change and I am not being smug about that 85 per cent. It could bounce back a bit.

How does the hon. member respond to that feeling out there that shows a general lack of trust and confidence, in spite of all the statistics and contributions of the government, especially in the north? I will give the government credit also for other parts of northern Canada as well. I am more concerned about turning on the nation so that we can dream again and have feelings. Would he please address that?

• (1620)

The Acting Speaker (Mrs. Champagne): A short final comment from the hon. parliamentary secretary.

Mr. MacDougall: Madam Speaker, I will make it quite short. The vast majority of the population in northern Ontario has a tendency to turn off when they feel that the comments being made are not really adjusted to what is happening.

I would like to make two small comments. With regard to the plumbing facility in North Bay, it is not only new houses that use new fixtures, it is an over-all market. The other part is that in that market-place we are also shipping into the United States. If this facility had not been built in North Bay, it would have been built in Illinois. It is an opportunity to export.

We also have a job to do in tourism. There are no two ways about it. We have a short season up there. If it is a good year, we might have eight weeks; if it is a a bad year, we are down to four weeks. So, we do have a job to do. Through different programs and opportunities, we have our tourist operators and associations going to the United States and southern Ontario with programs, starting off in mid-November through to the end of February. It is an effort that has to be made. Quite frankly, you cannot turn everything around at once. Through FedNor and other programs, we are doing everything possible and we will continue to do so.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I am pleased to participate in the debate today on the motion of the Liberal party. There are eight specific points mentioned in the motion, indicating the lack of commitment by the government to northern Canada and, from my perspective, northern Ontario, and the failure of the government to treat northerners fairly and equitably. It is demonstrated by the list which I think it is quite appropriate. But I do not think the list is all-encompassing. Very quickly, I jotted down at least two other areas in which the government's approach to

its policies has negatively impacted on life and the ability to survive in northern Ontario and northern Canada.

Let me start with one of my favourite topics, VIA Rail. That is a battle that northern Ontario residents fought as hard, if not harder, than other people across Canada. At 11.40 p.m. on January 15, we saw the last transcontinental train arrive and depart the Thunder Bay station. Well over 1,000 people who had attended a rally earlier that evening marched the half mile to the station to greet *The Canadian*.

Now, I should put into context that Thunder Bay is not a community that is known for visible protests. It is not the norm for its people to march on city hall in large numbers. We have a few committed individuals who, from time to time, are out there protesting certain actions by some level of government, but never in my lifetime have we seen over 1,000 people at 11.40 at night protesting a government policy.

It was important to them because it was not just a minor fine-tuning of the service. It was the out and out elimination of service. After that night, there were no more passenger trains rolling through Thunder Bay, Schrieber, Terrace Bay, Nipigon and Red Rock, Upsala, Ignace, Dryden, or through Kenora. We had lost 100 per cent of a service we had had for over 100 years.

Thirty thousand people got on and off in Thunder Bay with that service, but for the students at Lakehead University and Confederation College it was the only affordable method of travelling to and from our university and college community. People at the university and college have already noticed a decline in out-of-town student enrolment because of the cuts to VIA Rail.

It impacts on our seniors. Some chose not to drive or to fly to visit family and friends elsewhere in Canada, but others had no choice because of their physical make-up but to take the train. They no longer have that option. Residents of those communities in northwestern Ontario, who are confined to a wheelchair, no longer have an accessible means of transportation available to them, accessible in the sense that they can roll on and roll off by themselves. They did not have to have a stranger grappling with them to remove them from their chair to put them into a seat. They did not have to go through—let us face it—the insult of having to be carried onto a plane or a highway bus. With trains, they did not have to go through that but now they do.

With the combination of the loss of VIA Rail, the deregulation of air, and the movement toward smaller and smaller commuter planes that are clearly not accessible for the handicapped, citizens in the smaller communities of northwestern Ontario have no choice but to relocate permanently to the Thunder Bays, the Winnipegs, the Torontos and the Sault Ste. Maries, of this land.

The battle over VIA Rail was not just a romantic battle because we had had the train for so long. It was a key element in our ability to commute into and out of northwestern Ontario. The same applies to Atlantic Canada and northern parts of the prairies and British Columbia which were served by rail until this government decided that people were less important than the bottom line.

As you know, Madam Speaker, yesterday I was in the Federal Court of Appeal. We are waiting for a judgment on an action which I took along with Greenpeace Canada and my home community, the City of Thunder Bay. I mention that only to point out that decisions made here in Ottawa have far-reaching impacts on life-styles and on the environment. The government has argued in court not only that the Governor in Council or the cabinet is exempt from the environmental assessment review process, but so, too, is the Minister of Transport. If that is the case, what is left? Is the only person who has to adhere to an environmental assessment review process the typist in the steno-pool at Fisheries and Oceans? I hope not.

Just before I leave VIA to talk about some of the other items on the list of the motion, I want to read to you from a column that appeared in the weekend paper of the *Times-News Chronicle-Journal* of Thunder Bay. The writer is Gerry Poling, who is the regional editor for the paper and a life-long resident of northwestern Ontario and who has a really strong feeling about the north. He writes about his experiences post-VIA. He writes, and I quote:

> In wiping out VIA Rail service to Thunder Bay, Transport Minister Benoit Bouchard, still left Canadians with a railway service across Canada, but via Armstrong. What he neglected to consider, however, is how one gets from Thunder Bay to Armstrong.
>
> If you wanted to go to Vancouver by train, for example, you can buy a one way fare for $275 or, for seniors, $248. But then, to get to Armstrong, you have to take Grey Goose bus, which leaves Thunder Bay at 5:30 p.m. daily, and ride the 200-kilometre-long snakey, bumpy highway for 3 1/2 hours.

What he does not say is that that highway is the primary highway for hauling raw fibre from the bush. It is inundated with transport trucks, driving at very fast speeds, making a very unsafe situation for motorists and passengers in buses.

• (1630)

Just to continue, the cost for a one-way ticket is $24.20 or $38.70 for a round trip. Once you reach Armstrong you then have two hours and fifteen minutes to kill before train time, that is if the train is on time at 11.50 p.m.

He also points out that, by the way, the transcontinental train leaves Armstrong on Wednesdays, Fridays and Sundays only, so you must make sure you have the right day before you get on the bus.

The reality is that people are being forced to use alternate means of transport. More people are being put on the highways in northern Ontario, highways that have been killing people on a systematic basis for many years.

Mr. Milliken: Highways don't kill people.

Mr. Angus: The hon. member chuckles but the carnage on those highways, because of conflicts between transports and private automobiles, is very serious. More than a dozen people a year, not just from northwestern Ontario but from across Canada, are killed in traffic accidents. The more people that are put on the highways, the more dangerous they become.

Let me leave VIA Rail and touch on some of the other aspects. With regard to unemployment insurance legislation, research that we have done shows that because of the changes to unemployment insurance—the reduction in the work weeks, the qualification period being longer, et cetera, upwards of $60 million a year is taken out of the northwestern Ontario economy. That economy is already struggling. We have communities like Atikokan, Ontario, in which one of every two people is out of work at some time each year and where there is a sustained unemployment level of 25 per cent.

The new UI act is not going to make it easier for them. Sure, they can get training, but for what? There are no jobs available. They have been through the training mill. They have had training for welders, log hauling, and for this, that and the other thing, but the jobs still are not there.

What northern Ontario and northern Canada needs is a more community-based form of economic development. We have to provide the tools at the local level to support the individual entrepreneur and to attract the investment group from outside. But beyond that, the north and, I would suggest, all regions in this country really need a better transportation policy.

I cannot put the onus on the federal government alone because transportation is controlled primarily by the two senior levels, provincial and federal, but the federal government does have a fairly major leadership role to play.

We hear these cries for Senate reform from western Canada and other parts of Canada based on the belief, and quite rightly so, that they have not been getting a fair shake. They see the jobs being created in the Golden Horseshoe and the greater Montreal area. Consequently, they see more government involvement visible in those areas. So they say to themselves that they need Senate reform so that they have some checks and balances and can get a fair deal, no matter what the stripe of the government in power, it will have to take notice of their needs.

There is a different way, and I think it is one that this House should explore from time to time to see how we can come up with a mechanism. It all stems around transportation.

One of the realities of the Golden Horseshoe is that because of the millions of people who live in that market it becomes cheaper to produce within that market the goods that that market consumes. The reason you cannot produce those goods in Thunder Bay, Atikokan, Calgary or Moose Jaw, is because of the high cost of moving those products from the manufacturer to the purchaser. That will always be a problem in Canada because of our geographic structure, that thin ribbon along the Ameri-

can border with a lot of drags south. We are seeing this now, not just because of the Canada–U.S. Free Trade Agreement, but because of the natural forces of the economy between our two countries.

The solution is to find a way to neutralize the cost of transportation, to make it possible for the widget manufacturer who can sell 99 per cent of her product in Toronto, to also be able to make that product in Thunder Bay, Nipigon, or in Schreiber, and not find that it is impossible to compete with a Toronto-based producer because of the difference in the price of moving the finished product.

It may be a combination of the use of modes, a requirement that a good must travel by the cheapest mode, in other words, truck to rail to marine to final destination, so that you minimize the use of energy and maximize the saving to the producer.

The other way, which some companies already practice, is having a regional or national pricing policy. The best example in Ontario is beer. A box of beer costs the same on Yonge Street as it does in Kenora because the transportation component is rolled in as part of the wholesale price for the distribution. Therefore, everybody pays the same. Simpson Sears does it. Eaton's does it for a lot of their commodities on a regional basis. That allows them to market a fridge, stove, vacuum cleaner, or what have you at the same price in that regional market.

In effect, the purchaser in the Toronto area pays a couple of pennies more so that the purchaser in northwestern Ontario pays many dollars less. That is another method.

Another way would be to provide, through government intervention, some kind of tax credit system that would allow, again, for the neutralization of transportation costs. People may say that that is going to cause problems with those we compete with in the United States, offshore, and what have you, but as long as we are doing it for domestic purposes I cannot see any problem.

That is only a rough suggestion. I have not completely worked through the mechanics.

Mr. Redway: Would that not be a corporate tax rip-off?

Mr. Angus: No, it would not be a corporate tax rip-off because those who are being ripped off today would finally get the benefits. It actually might help to lower the cost of housing throughout the province as well. The hon. minister might want to consider it from that point of view.

Let me deal with a couple of other areas because I realize that my time is almost up, but I would be more than happy to respond to members' questions about this concept I have put forward.

With regard to the Great Lakes–St. Lawrence Seaway, this government has recognized that the Western Grain Transportation Act, as adopted by the Liberal government before it, is having a negative impact on the port of Thunder Bay and other ports along the Great Lakes–St. Lawrence Seaway. This is another transportation policy which sought to equalize a particular mode of travel, in this case rail, in order to ensure an equal treatment in the movement of grain. The result has been a skewing of the system, a skewing of the marketplace, so that the west coast ports are favoured over Thunder Bay, Churchill and the Great Lakes system because the marine component is not included.

I realize that the Minister of Agriculture will be handing something down in June to deal with this, but it is a crucial matter to the port of Thunder Bay. We have gone from 1,700 or 1,800 grain handlers down to about 700. Men with 20 years of seniority did not get enough work last year to qualify for unemployment insurance under the old rules. So, Madam Speaker, work needs to be done in order to protect that component of the port of Thunder Bay, which allows it to be one of the few fully diversified communities in northern Canada.

• (1640)

On one final point, the member who spoke before me made reference to the contribution of the federal government to the World Nordic Games bid for the city of Thunder Bay. I was pleased that that happened. I supported the government and the Minister of Fitness and Amateur Sport all the way. I appreciate his help in securing that $2 million. I appreciate the help of some of his colleagues, particularly the Secretary of State for External Affairs, the Minister of National Revenue and the Minister for Tourism and Small Businesses for their assistance in convincing Cabinet that it was important to assist Thunder Bay in its attempt to get the 1995 World Nordic Championships, which I know we will get in two

weeks, and Thunder Bay will once again be back on the map internationally.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I know of the hon. member's interest in transportation because we have had many discussions on this in the past.

I know he would not want his comments to go by without also mentioning the fact that the government, realizing the need for a transportation policy in this country, especially on passenger transportation, has formed a royal commission on passenger transportation. I am sure that it will be looking to the needs for transportation for passengers in northern Ontario and northern Canada as much as it will in the Golden Horseshoe. In the Golden Horseshoe it is more a case of lack of capacity than a lack of ridership.

The member mentioned that people who are handicapped are not able to get access as easily now that the train has gone. I am sure that he will be glad to know that there has been a lot of investigation and, in fact, trial routes are now in place. Buses have been modified to give disabled people far more accessibility than the trains offered them in that they can be very conveniently lifted in their wheelchairs and put into place on the bus so that they never have to leave their chair.

I have spoken with disabled people who have tried this new system and they find it far superior to anything that they had before. It gives them far more ability to travel than they had in the past.

I know the member's concern about VIA Rail service in the north. I know how much effort he has put into it and I also know of his support for Thunder Bay and the port.

He raises a point about grain coming through Thunder Bay. I think he would also have to acknowledge the fact that part of the lack of grain travelling through Thunder Bay now is due to the fact that our markets for grain have changed. Much of our grain market now is in Asia and it is shorter to ship through the Pacific ports. That is one of the reasons why some of the grain is no longer going through the port of Thunder Bay.

Mr. Angus: Madam Speaker, I thank the hon. minister for her comments.

Let me start with the last one. The minister might be interested in knowing that grain from the prairies going through Vancouver is destined for Egypt and has to go through the Panama Canal.

The minister is correct that the markets have shifted. There is no question about that. There is also no question about the impact of the EEC getting its act together and becoming an exporter of grain. That has had an impact. What bothers me is that the Canadian Wheat Board is being more aggressive in seeking out markets in the Pacific Rim than it is, for example, in North Africa and the Soviet Union.

Admittedly, the mandate of the Wheat Board is to get the highest price for the lowest cost to the producer, and I have no objection to that. My party has long supported that concept. But that, in conjunction with the WGTA, has forced the Wheat Board to go that way. It has closed its office in Europe and opened a new one in the Pacific Rim. So I do not think it is fair to say that it is strictly market forces that have created that situation. There is also the drought. We have to admit that there just is not as much grain as we used to have. But the important point is that they are maximizing the west coast and using Thunder Bay for whatever is left over. Right now we are down to 30 per cent of the export trade, and we used to be at 60 per cent.

With regard to the bus modifications, yes, I am aware of those. I would have preferred that they had been in place across the system before there were any cuts to VIA Rail, because we have in fact disenfranchised a number of our citizens.

I found the minister's comments about southern Ontario interesting. I think she said their problem is lack of capacity, not lack of access. Perhaps another time she might like to explain why the Government of Canada, through its Order in Council, reduced the number of trains and the number of cars available in the southern Ontario component so that there is less capacity available. In the meantime it is going to sell off the rolling stock that VIA has declared surplus to its needs.

On a final comment, I will be appearing before the Royal Commission on Transportation to outline what direction I and my party feel Canada should be heading into the year 2000 and beyond.

Mr. Sid Parker (Kootenay East): Madam Speaker, I wonder what thoughts the member has with regard to the equalization of transportation costs. I think it is a great concept. Each province is taxing the diesel used by freight trains travelling across their province. This has been a tremendous deterrent for shipments, especially of coal from the western regions to the eastern regions. Has he any comments on that? That is beginning to be a very heavy burden on top of the other situations.

Mr. Angus: Madam Speaker, I thank my colleague for his question.

Provincial tax on railroad fuel was one of the questions that came up time and again during the VIA Rail debate because VIA Rail is also charged that tax. It is interesting that that tax is really a road tax to assist in the maintenance and construction of roads within the provinces. The irony is that the one mode of travel that owns its own roadbed is being taxed on its energy consumption to help pay for the roadbed that everybody uses, not for free, but without paying the full cost.

With regard to the coal question. I know that my colleague, when he was here the first time, did a lot of work on the issue of coal from the Kootenays coming down through Thunder Bay, being processed there and going on to Ontario Hydro plants. I took up some of that work when I was elected in 1984, as I know did the hon. Deputy Prime Minister who heads a task force to examine coal.

Quite frankly, I am disappointed with the province of Ontario and my own provincial member, the Hon. Lyn McLeod, who is the Minister of Energy. The province decided not to purchase additional amounts of coal from western Canada, low sulphur coal I might add, a cleaner burning coal. It chose to continue to draw high sulphur coal from the United States to use in the Ontario Hydro generating stations. We will continue to push for that. Obviously, the elimination of the fuel tax on rail will be one of the ways in which we can help make western Canadian coal much more competitive with the American high sulphur coal.

Hon. Shirley Martin (Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I am pleased to address the House today and to apprise it of this government's commitment, not only to the people of the north but to economic development and diversification in northern Canada.

The current economic conditions in the north contrast sharply with those of the mid-1980s. In 1984, the economic indicators such as the GDP, value of production and employment still demonstrated the effects of an earlier economic recession. Today these indicators show signs of growth, due in large part to the joint federal-territorial economic development programs under the Economic Development Agreement.

• (1650)

We must, however, ensure that the improved situation today is sustained and that the current growth which has occurred, thanks in part to the policies and economic development programming that we have provided, continues.

In particular, this government recognizes that Yukon and the Northwest Territories must continue to strengthen their leading sectors and diversify into other sectors if they are to achieve greater stability in the future and provide northerners with an adequate number and variety of economic opportunities.

This government has undertaken a number of successful initiatives to help support economic development in the north and to provide a stable planning framework. From a policy perspective, it has provided greater certainty to northern developers by, first, reaching agreements in principle with northern native groups on outstanding land claims, by reaching agreements in principle with the territorial governments on a northern energy accord, and by introducing a northern mineral policy.

Through targeted economic development programming under the federal-territorial Economic Development Agreements, assistance has been provided to northern entrepreneurs and to organizations to investigate and pursue new employment and business opportunities. This programming has been successful because with minimal support the federal government is able to lever additional territorial government dollars along with project dollars.

It has also been successful because much of the Economic Development Agreement spending has been targeted at strategic priorities and projects that are now showing and will continue to yield definite long-term benefits. Importantly, infrastructure has been put in place in numerous communities under the auspices of

economic development planning subagreements. These subagreements have included renewable resources, mineral development, arts and craft development, small business development and tourist development.

Participation by native people and organizations as proponents of these EDA projects in the Northwest Territories has been significant. In the Yukon participation has been increasing but we know more can be achieved. The federal government has introduced the Canadian Aboriginal Economic Development Strategy, or CAEDS. This is to support native business and employment opportunities and to address economic development requirements of native people in general. With representatives from native organizations participating on the EDA committees, a greater understanding of the programming that is necessary has been gained with a resulting increase in usage.

The efforts under EDA to date have certainly made a positive contribution toward expanded, diversified and more stable territorial economies. However, to realize the full potential long-term benefits of the federal government's contribution to economic development, further government support and assistance is needed in the sectors that we have been encouraging.

Although the EDA with the Yukon expired last year, extensions have since been put in place. As well, the EDA with the Northwest Territories is scheduled to end this year. This government has, however, initiated preliminary discussions with both territorial governments with a view to developing new programming for a five-year period beginning in 1991.

The future challenge for the federal government in co-operation with northern governments is to continue the transformation of northern economies. This involves further diversification of the economic base with increased emphasis on sustainable economic development, structural changes to sectors, such as mining, to enhance the returns to the communities and to their residents, as well as linkages among the sectors.

Given the relative strength of the Canadian, Yukon and Northwest Territories economies and the possibilities arising from the U.S.-Canada Free Trade Agreement, it is easy to see that there are opportunities which can be pursued.

Under the subagreements of the EDAs, opportunities exist for the improvement and expansion of a number of essential areas, including the mining industry and the area of renewable resources, the tourism and business sectors, human resources development and skills acquisition, and ongoing economic planning by communities and governments.

The theme of diversification is not new. It has been a thrust of the federal and territorial economic programming in both territories over the last six years. We all recognize it as a solution to another challenge, which is to minimize the reliance upon a few sectors for revenue and employment.

Import substitution is a principal component of diversification, and the renewable resource sector is an excellent example of this type of development which will lead to stronger linkages between the wage economy and the traditional economies of the aboriginal people.

Technological innovation is another avenue for generating business opportunities, especially at a time when science and technology is a national and international growth area for future development.

Regardless of the approach taken to diversify the economy, long-term benefits can only accrue when economic growth has been balanced by the development and maintenance of a healthy resource base.

The key to this is the acquisition of requisite skills and training by our northerners participating in their expanding economy and the provision of an infrastructure achieved through community based planning which will encourage industry to locate and develop. This will be the key in the future.

I expect future federal economic development programming for Yukon and the Northwest Territories to recognize these many opportunities and to ensure that our efforts are directed to this accomplishment.

As well, this week the Minister of Indian Affairs and Northern Development signed a roads program transfer agreement with the Government of the Northwest Territories. This transfer represents yet another step

made by this government in the development of responsible northern government.

With this transfer the territorial government will not only be directly responsible to its citizens for the existing roads system, but it will receive $10.5 million to do so. This is an increase from the original program budget of $9.4 million and effectively paves the way for increased access, development and exploration.

In addition to the further developments of the preceding sectors, there are other events which I foresee as having significance to the development in the north. These events include the North American air defence modernization project, the renewed interest in northern gas pipelines, and oil and gas projects in the Beaufort Sea. Opportunities for new or expanded businesses and employment will undoubtedly be generated by these endeavours.

These will be reflected in and complimented by the organization of the land use planning commissions and recently initialled final agreements to settle land claims for the Yukon Indians and the Dene–Métis as well as the agreement in principle for the land claim for the TFN.

The settlement of land claims will be of particular significance to each territorial economy. Obvious benefits will be derived from direct injection of funds into the economy as well as through any investments made by native development corporations. It also means that native people will have a substantial land base to manage and develop for their future. The future of the north will be one of co–operation in a common goal for growth and prosperity.

The Acting Speaker (Mrs. Champagne): Questions or comments? Resuming debate, the hon. member for St. Boniface.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I am pleased to rise today to speak on this motion which I believe addresses a particularly important question, Canada's north.

The motion raises most of the critical issues that I believe need to be addressed. It speaks about economic diversification and the need for additional diversification. It points out that some of the transportation services have been reduced rather dramatically and it gives us the example of VIA Rail. It points out that some of the transportation services have been dramatically reduced and it gives as one example VIA Rail. It also points to the regressive impact of the unemployment insurance legislation for high unemployment areas such as the north. Of course implied within that observation is that unemployment in the north is much greater than in a number of other areas in Canada. It talks about the planned cancellation of the northern residents' deduction. It identifies the imposition of the 15 per cent export tax on softwood lumber. It identifies the cancellation of the mining depletion allowance and flow–through share benefits for mining exploration and that the imposition of the goods and services tax will have a particularly negative impact on the north because of the higher costs involved. Of course 7 per cent is a great amount when we are dealing with costs that are higher than ordinary. Finally, it points out that there are no adequate adjustment programs for single industry towns.

• (1700)

How much do we really know about the north? I think this begs an even more fundamental or perhaps more basic question. How much we do really know about our country? How much do we really know about the province of Ontario if we have not lived there? How much do we really know about *la province du Québec*, the Atlantic provinces, or the western provinces? How much do we really know about the north?

It has often been said that Canada is a country that does not know nearly as much about itself, its people, its regions, and its resources as it should. Therein lies a great problem.

I am particularly happy that this motion gives us an opportunity to talk about the north, one of the regions of Canada that is probably least understood.

When I think about the north right away I think about our two territories: Yukon and the Northwest Territories. I have been told that Yukon from a land mass perspective is roughly the size of Manitoba, which is approximately the size of France. In Yukon I am informed that there are approximately 25,000 people; in Manitoba, slightly more than one million; and in France, 55 million. I give these figures to show the dramatic differences that exist on this planet and in this country.

When we talk about the Northwest Territories, basically we talk about one–third of Canada's land mass. There

are just a few more than 50,000 people, people who identify with the Dene, Inuit and others; a mixed group to say the least.

When we talk about the north we must also include the northern part of many of our larger provinces, because they very much lie in the north. The north occupies much of Canada's land surface. It has much of Canada's mining, including gas and oil reserves. It has much of Canada's forests, water and soil. Without the north we would not only be a very small country; we would indeed be much poorer from a number of perspectives.

The north has a uniqueness, as I believe most areas and most peoples do, which is not very well understood. We often talk about small rather isolated areas, although that is not always the case. We often talk about small numbers of houses, residents, students, or whatever. However, there are extra costs that people do not understand as well as they should. Because of the large distances covered and because of the small numbers we do not get the economies of scale and indeed there are huge transportation costs. All people in the north want the essential services that are taken for granted in many of the larger of centres, such as a quality education system, quality health services, and social services which respond to the needs of the citizenry. That is fair. I think what this country needs to be all about is trying to make sure that those who do not have as much do have that which is necessary so that they can feel as if they are a full partner in this country we call Canada.

Recently I had an occasion to speak to some people in Inuvik, Iqaluit, Churchill and a number of other communities. I wanted to talk to them about the costs of bread, meat, fish, cheese, vegetables, fruit, paint, and fishing equipment. I took those at random because I wanted a sense of how much larger the costs were there than they are in Winnipeg, Toronto, Vancouver or Halifax. It was virtually impossible to draw any real mathematical relationship. Clearly it is much higher.

It was as much as four to twelve times higher depending upon the item and depending upon the locality. In conclusion, I was extremely surprised by that large gap, which I was told was mostly because of large transportation costs and because of the small numbers that are often purchased by the population that I have mentioned.

We need to address a basic fundamental question in the north, but it is essential to make a commitment to the provision of services equal to or equitable to those in other areas of Canada. I think whenever possible those services need to be on site or, whenever that is not possible, they need to be accessible. In other words they must be available. My first preference would be that essential services—health, education or any number of social services; I could go on—be there.

Like many other Canadians the people of the north want to feel part of this country. They want to feel that they are understood, that they are appreciated, and that what they have can make a difference to this nation. They believe they need the political power, not a disproportionate amount but sufficient that their regional development initiatives will be realized.

They want education that is comparable to other centres, school facilities, and teachers with training and experience who can do the kind of job and deliver the quality education so needed in today's society in order to be competitive and to contribute to one's community, one's province, one's territory and one's country.

They actually believe that there is no reason the quality of education should not be equal to those of other centres. As well, they are concerned about the post-secondary offerings, because clearly their numbers do not permit the construction of a college or a university in each centre, but they want access to that post-secondary education because they recognize how increasingly important it has become.

They realize that there are new technologies out there, new concepts such as distance, correspondence education which has been around for a while but which has been refined, campuses that can be set up, and people who can come in to assist in creating a more level kind of arena, a situation where they can get their fair share.

People in the north as I have defined it are aware of the special costs of transporting students to school, college or university; the special costs of books and equipment; and what have you. They are concerned about this matter. They want people in government who will appreciate that uniqueness and be ready to respond to it.

• (1710)

These people also believe as I do that there is a need for special opportunities to be provided so that they can be equal, equitable or competitive with others. There are a number of ways of doing so. Clearly it is not always to give the same; sometimes one needs to provide more in order to make sure that that is the situation.

[*Translation*]

Madam Speaker, I notice you are signalling that my time is up. I am a bit confused, because I thought, and in fact I was told that I had 20 minutes. I would need some clarification.

The Acting Speaker (Mrs. Champagne): I can inform the hon. member that earlier today, I was given notice by the representative of the hon. member's party that all Liberal members would share their 20 minutes. If the hon. member, with the consent of his colleagues, is to speak for 20 minutes— I simply wanted to make things easier by letting him know that his time had expired. It was not my intention to interrupt his speech.

Mr. Duhamel: I appreciate your comments, Madam Speaker. I had understood that I had 20 minutes. So I have your permission to proceed, since I believe I have the support of my party. Thank you.

[*English*]

I was pointing out how important I felt it was that special opportunities were offered to those who life in the north. I was about to give an example of some programs in Manitoba, access programs which provided special opportunities to individuals who have now entered the medical profession, the law profession and other professions. This has provided role models for certain communities and groups that were particularly important. In other words, there is something that can be done. We have the proof that there is success in those kinds of programs.

As I pointed out initially, the motion addresses the whole issue of diversification. There have been attempts to be fair about the diversification of the north, but there needs to be greater opportunity and greater attempts undertaken in order to accomplish this very worth-while goal.

The economy of the north should be given an opportunity to diversify beyond natural resources and it can be done only if the basic infrastructure is in place. We need good roads, social services, and telecommunications services. As one of my friends who wrote to me recently pointed out, not only do we need these good roads, social services and telecommunications facilities, "the north can be used as a base for high technology research into forestry, the environment and other areas."

I want to address the whole question of aboriginal self-government. It is time for us to make a full and total commitment to our aboriginal people so that they can become full partners in this country we call Canada. They need to have the political power in order to realize their goals, dreams and aspirations.

We have tried in a number of ways to help them, but that assistance has not been particularly successful if we look at where they are in terms of housing, education and a number of other factors. It is time that we took that step, that made the commitment, and that we explored openly and honestly the concept of self-government and greater autonomy for our native people.

I want to address the question of health care. It is easy to ignore that question in a sense by saying that these are small, isolated communities with few people, but it is not good enough. Clearly we cannot have a hospital in each centre. In fact it is impossible depending on the size of the centre to have medical professionals, but clearly we can have access to medical facilities available to people who live in our far outlying areas. It is absolutely essential to offer the kinds of medical services that we would find in other larger centres, as I pointed out either on site, if it is feasible, or accessible by air or any number of ways that may be adequate.

One of the questions that I think is important to raise is what does the north want? What would it like that it does not have today? I think the question is one that has been raised by most regions in Canada and by people in Canada generally. It is to be understood, to be appreciated, to have the political power and tools to realize its destiny and potential. It wants to be treated fairly and be able to participate fully in the planning of its future.

[*Translation*]

The Northern region is a misunderstood region that we do not know well at all as Canadians. It is rich, not only because of its people and its natural resources, but also because of its large potential that remains to be developed. It is somewhat fragile, from an environmental perspective. Caution must be used, otherwise long-lasting damage could be made. It is inhabited by people

who want to be given the opportunity to have their say in the decisions made which concern them in the Canadian governmental systems, whether territorial or provincial. They are people who have children, like you and I, and who want their children to have an education so that they can either go work elsewhere, if they wish to, or stay home and contribute to the development of their community.

I am referring not only to elementary school and high school, but also to post-secondary education. I understand, like many, that it is not always possible to have a community college or a university in a community, because of cost considerations for instance. Many other possibilities exist, however, through technology, through distance teaching and through allowing teachers from some colleges and universities to go and teach in small communities. It is also possible to invite students, as it has been done on several occasions, to come and study in colleges and universities in the south.

We nevertheless have a commitment to make. We must commit ourselves to providing them with education at home whenever it is feasible. These people want both an education system that will allow them to be competitive and other systems, such as health services, social services, etc. In general, I think that those people want to be understood, they want to be appreciated. They want Canadians to know that they exist, that they live in a part of the country that is extremely beautiful and extremely different from one side to the other. If you take, for example, the community of Lac la Martre and if you compare it to Iqaluit, Inuvik, Eskimo Point, Churchill or Dauphin, you will see enormous differences. But, nevertheless, there are great similarities. Those people want to participate fully in this country that we call Canada. The want to be partners who not only are appreciated, but who can contribute their talents, their energy and their resources.

[*English*]

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I would like to commend my colleague on his excellent, well-prepared presentation. It seemed to me that there is a long wish list for northern Canada and rightly so, because there is a definite problem there. I guess we can provide them with all the institutional requirements and schooling they need, but unless we give them a reason to remain where they are, we will see over the next 10 or 15 years a mass move from northern Canada to southern and western Canada and elsewhere.

• (1720)

One of the factors that will persuade the northerner to move is the GST. The goods and services tax is a reason for many northerners to think twice about remaining in the north.

In my view, we need to provide them with all the necessary services and institutions, especially educational, that they need. They should be provided with the required population in order to maintain and provide the taxation base they will need in the long run.

I would like the government to think about the immigrants who come to Canada using the business criteria for immigrating, somebody who applies with $150,000 or $200,000 and gets access to a visa to come to Canada. Perhaps the government might consider the creation of some sort of incentive to newly arrived business immigrants to locate in certain parts of northern or western Canada. This is one thing that can be done.

Also we have here in Canada many immigrants who come from eastern Europe, Asia, or Africa who are professionals, engineers or doctors for that matter. Those people are not allowed to practice in some provinces such as Ontario or Quebec or elsewhere. Maybe it is time for the government to make an assessment and look at the possibilities of encouraging those people to go to northern Canada and certain other parts of the country where they can practise.

There are many ways to skin the cat, Madam Speaker. I guess the most important element is that we have the will to encourage and help the people of northern Canada.

I would like once again to commend my colleague on his excellent presentation and I welcome his comments.

Mr. Duhamel: Madam Speaker, I appreciate some of the points raised with respect to responding to the north more sensitively perhaps than we have in the past and I would like to explore each of those.

I guess we have to start from a basic principle that I want to enunciate and repeat. That is, we need to make a full commitment to ensuring that people from the north have access to the same kinds of services that we have.

The opportunities to develop economically will increase, particularly when the infrastructure is in place for the education systems, health systems, social systems, roads and what have you.

If I had had more time it would have been interesting to have explored some of the uniqueness of the peoples of the north. We are talking about several native languages. A few years ago I worked on a short assignment in the western Arctic where, if my memory serves me correctly, seven native languages were used. This impressed me significantly because they were being used in some significant harmony, and we are not unaware of the fact that we sometimes have real difficulty across Canada in using two languages.

There are cultures in the north that very few people know about. They really require nurturing and support and I would hope that that might be the possibility of another discussion at some other time.

The Acting Speaker (Mrs. Champagne): On a point of order, the hon. government House leader.

BUSINESS OF THE HOUSE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): I would just take a moment, Madam Speaker, to get to some House business which has been under active discussion.

The first item has to do with what is now Government Order No. 6, in terms of government business, and what is known to members as the motion dealing with Private Members' Business. This was introduced and debated very briefly before it was amended by a motion of the hon. member of Kingston and the Islands, that the question be now put.

I think you would find unanimous consent, first of all, to set aside that the motion be now put for the purposes of amending the original motion to put the following motion:

That the motion be amended by adding thereto the following:

And that the provisions of this order be in effect until the last sitting day in December, 1990.

The effect of that would be to have these rules respecting Private Members' Business as set out in this motion be in effect until the end of this year.

The purpose is to see how they work. In essence, it is a kind of sunset Standing Order. So, I believe, Madam Speaker, there is unanimous consent to proceed to amend the motion with this sunset clause, if you will, and then I think there will be unanimous consent to pass the motion as amended.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I want to confirm what the hon. government House leader has said.

The committee had originally recommended that these rules be amended for a period from January to June of this year. Because we were unable to agree on adoption of the committee recommendations in the time frame, it seems reasonable to us that the rules as introduced by the government, with the slight modifications made, would apply for a limited period. We are prepared to work with them on a trial basis to the end of December of this year.

I welcome the amendment. I am delighted that we have finally achieved agreement in dealing with these rules which, in our view, will assist in dealing with Private Members' Business in a more expeditious way. I thank the government House leader for negotiating this arrangement and trust that the new rules will work out to the benefit of all hon. members.

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, I rise to indicate support for the amendment and the motion itself, particularly in light of the comments by the government House leader earlier today that he was not quite sure as to when the June break would occur, it is probably appropriate that we keep it going through until December.

I just want to make it very clear that this is not a precedent in terms of passing Government Orders on allotted days.

The Acting Speaker (Mrs. Champagne): Is there unanimous consent for the hon. minister to have leave to present the motion?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion, is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I think you will also find there is agreement for the following consent motion.

It is after considerable discussion that agreement between all three parties has been reached on how to handle a very controversial piece of legislation, namely, Bill C-43, the abortion bill. What we sought, and hopefully achieved, was a consensus that will allow all hon. members who want to participate in that debate, the opportunity to do so. No one is attempting to curtail in any way, shape or form, the rights of members to participate in the debate, but rather to allow the debate to terminate and the appropriate votes to be held, at a time that would be convenient for the maximum numbers of members of this House.

It is a complex motion, Madam Speaker, but the purposes are to afford members the opportunity to debate and to afford members the ability to organize their affairs so they might be here to participate in the vote. Therefore, I move:

> That the following provisions apply to further consideration of the report and third reading stages of Bill C-43, An Act respecting abortion:
>
> (1) on Tuesday, May 22, 1990 and Wednesday May 23, 1990, Report Stage consideration be the first order of the day; and
>
> (2) on Tuesday, May 22, 1990, all selected motions shall be moved seriatim, at the start of Orders of the Day, by the Member in whose name each stands, with each such Member speaking for up to ten minutes immediately after his or her motion is moved;
>
> (3) on Tuesday, May 22, 1990, immediately following the proceedings set out in (2) above, any Member may speak once, for up to 10 minutes, and may refer to any of the motions moved pursuant to (2) above;
>
> (4) on Tuesday, May 22, 1990, the House continue to sit beyond the ordinary hour of daily adjournment and until 9.00 o'clock p.m., at which time it shall adjourn;
>
> (5) on Wednesday, May 23, 1990, the House continue to sit beyond the ordinary hour of adjournment and continue report stage consideration of the said bill, until no later than 9.00 o'clock, p.m., at which time the Speaker shall interrupt the proceedings and, successively and without further amendment or debate, put every question necessary to dispose of the report stage of the said bill, following which the Speaker shall adjourn the House until 11.00 o'clock, a.m. on Thursday May 24, 1990, provided that if debate on report stage is concluded before 9.00 o'clock p.m. on Wednesday May 23, 1990, the sitting shall be suspended until 9.00 o'clock p.m. the same day, at which time the Speaker shall begin to put every question as set out in this order;
>
> (6) on Thursday, May 24, 1990 the order for third reading of the said bill be the first order of the day, and the House continue to sit beyond the ordinary hour of daily adjournment until such time as no member rises on debate, provided that in such debate:
>
> (a) any member may speak only once and for a maximum of 20 minutes followed by 10 minutes of questions and comment,
>
> (b) following an indication to the House by a Whip of any party, members of that party subsequently recognized in debate may speak for no more than 10 minutes, followed by five minutes of questions and comment,
>
> (c) no member shall be recognized in debate more than once on the said day; and
>
> (d) no amendments shall be accepted by the Chair; and
>
> (7) at the conclusion of debate, which shall be no later than 9.59 a.m., Friday, May 25, 1990, the putting of the question or questions shall be deemed deferred until 3 o'clock p.m. on Tuesday, May 29, 1990, at which time any recorded division requested shall not be deferrable.

• (1730)

That is the motion, Madam Speaker.

Mr. Gauthier: Madam Speaker, if a seconder is needed for the motion, I would like to second that motion.

Indeed, this motion is a result of negotiations in good faith by all sides and all parties. I want to give thanks to some of our under-utilized but sometimes overworked assistants and tell the member for Kingston and the Islands and the member for Peace River that we appreciate their contributions very much.

We were trying to reach an agreement here which would allow all members a chance to put forward their views on this very important issue, and also give them the opportunity to plan according to the day and the votes and the hours at which these things will be held so that there will be no surprises. In this way everyone will know the day and the hour. Therefore, they will be able to be in the House and do what we are being asked to do by Canadians, that is, to take decisions.

Mr. Angus: Madam Speaker, I, too, rise to indicate that there have been lengthy discussions and negotiations on this matter.

I would also like to compliment the parliamentary assistant to the government House leader and the member for Kingston and the Islands for their diligence in this matter.

It is not easy in the House, on partisan issues or non-partisan issues, to reach agreement. I appreciate the manner in which my two colleagues have dealt with this matter today.

May I say as the Whip of my caucus that it is nice to know when any vote is going to happen so that I can have my people here.

The Acting Speaker (Mrs. Champagne): I understand there is unanimous consent for the hon. minister to present the motion.

Some hon. members: Agreed.

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

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): In order to clarify, Motion No. 6 was amended and agreed to as amended, is that right?

Some hon. members: Agreed.

Motion agreed to.

* * *

SUPPLY

ALLOTTED DAY, S. O. 81—NORTHERN CANADA

The House resumed consideration of the motion of Mr. Nault:

That this House condemn the government for its lack of commitment to northern Canada and for its failure to treat northerners fairly and equitably as demonstrated by:

(1) its lack of commitment to economic diversification;

(2) deserting northern Ontario by slashing VIA Rail services;

(3) abandoning all northerners with its regressive unemployment insurance legislation;

(4) planning the cancellation of the northern residents deduction for isolated areas;

(5) imposing a 15 per cent export tax on softwood lumber;

(6) cancelling the mining depletion allowance and flow-through share benefits for mining exploration;

(7) imposing a goods and services tax; and

(8) failing to implement adequate adjustment programs for single industry towns.

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

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, I am pleased to address the House today on this opposition motion. I welcome the chance to clear up as well any misconceptions put forward by the claim that northern Canadians in any way receive less than fair and equitable treatment by the government.

In terms of Bill C-21, the new unemployment insurance regulations will, in fact, improve the effectiveness and the fairness of the current unemployment insurance program. It represents a natural evolution of a social program, an essential part of this country's compassionate ability to provide income security for those Canadians in all regions who are out of work and in need. It is part of our commitment to provide all Canadians, the north included, with the best training and adjustment programs possible.

We recognize the importance of the UI safety-net to many communities with seasonal industries, particularly in areas like the north and Atlantic Canada. Under Bill C-21, these areas will continue to benefit from the flexible entrance requirements tied to differences in unemployment levels.

I would imagine that the hon. member who spoke some time ago was referring to areas of high unemployment when he made his misguided statement about regressive UI legislation. It is wilful ignorance to suggest that plans to create a more active approach to unemployment and to build an efficient, competitive labour force would be carried out at the expense of Canadians with no prospects of finding a job. This simply is not the case.

Bill C-21 is explicitly designed to shield those people who live in regions of highest unemployment. This bill is designed to help, not hurt them.

Bill C-21, in conjunction with the new proposed boundaries for the country's economic regions, will make the unemployment insurance program more regionally sensitive. If anything, it will mean a more generous system for the north. The economic boundaries will better reflect the reality of today's regional work pat-

terns based upon previous unemployment figures, individual and family income levels, and regional industrial structures.

Yes, it may be true that claimants in northern Ontario will be affected by the bill. Some people will have to work more weeks to qualify for UI benefits, but to tag the legislation "regressive" does not do justice to the intelligence of the members of the House.

We were elected in 1984, and again in 1988, with a mandate that included controlling federal spending in order to maintain economic stability and continued growth, and to prepare Canadians for participation in the competitive global economy. Recent polls show that Canadians understand the government's efforts to make UI a more constructive, pro-active program.

Recent Decima polls and Environics studies show that about two-thirds of Canadians support the idea of using UI funds to train unemployed people so that they can find better, more stable jobs, and find them sooner.

It is foolhardy for anyone to suggest that Canadians do not want a more effective and efficient UI system. The Labour Force Development Strategy and Bill C-21 which flows from it is one means by which the government wants to use its resources better.

It must be kept in mind that the changes to Bill C-21 will free up significant resources and will result in reallocation of some $350 million to help claimants gain work experience and upgrade their academic qualifications while receiving benefits.

Eight hundred million dollars additionally a year will be made available for enhanced training and other re-employment measures which will enable more Canadians to find secure and lasting jobs. This is almost a 50 per cent increase in the $1.7 billion funding currently available. This is particularly beneficial to regions where the economy is more fragile and the need for skills and innovation is greater.

Two of the more successful government programs which offer important adjustment help to communities and businesses will also receive increased funding once Bill C-21 is proclaimed. The Industrial Adjustment Service, or IAS, effectively helps businesses and their staff work together on solutions to adjust problems. It plays a particularly important role in one-industry areas that can be devastated by massive lay-offs or shut-downs.

At Dona Lake, Ontario, for instance, the IAS assisted the Windigo Tribal Council to ensure jobs for natives in construction site jobs. This agreement involved the provincial government as well.

In the Yukon at Elsa, a silver mine closed, throwing 200 employees out of work. Through an IAS agreement, social services support was provided, prospective employers were brought in for the purpose of recruitment, and resume preparation and job search activities took place.

Bill C-21 means that an additional $15 million will double the number of firms which receive help. That means 1,000 businesses instead of the current 500.

Another very important program is the highly successful Community Futures Program. It was designed to help small and rural communities which face chronic unemployment and economic decline. Towns like Hay River and Pine Point in the Northwest Territories, Sault Ste. Marie and Ear Falls in northern Ontario, and Fort McMurray in northern Alberta have all benefited from Community Futures.

• (1740)

The new UI bill will also add $50 million to this fund to help increase the number of communities which will benefit from the various options available. Some 200 additional rural and small town communities will be helped.

I would also like to mention briefly the maternity and parental benefits that will come into effect with the passage of Bill C-21. At present, maternity benefits are available for 15 weeks. This will be enhanced so that up to 30 weeks of benefits can be claimed. I know that many northerners are patiently waiting for these improvements to be put in place.

I can speak from personal experience with respect to phone calls that I have been receiving in my riding. I have received calls from Wanda, Belinda, Ken and Lori, Sharon, Greg, Shanna, Janis and Janet, just to name some of the people who have called me within the last couple of days. The question on their minds is: When oh when will this bill be passed? These are young parents expecting and anticipating to use one of the major benefits of this bill to provide for a basic opportunity to be good and proper parents to the new-born that they

are about to bring into this world. Having the 30 weeks, the double period of time available to them, means so much more to them.

Janet, the last woman whose name I mentioned, is of particular interest to me, not that one constituent should be any more important than another, but she is my daughter. She says: "Dad, when are you going to get that bill through?" I keep saying to her that we are doing all we can.

Perhaps, Madam Speaker, if members of the Liberal dominated Senate were capable of experiencing a pregnancy they might be moved to show a little compassion for these young people. It is tough enough to raise a family and be responsible for its development. Why does the other place insist on standing in the path of young Canadians seeking this much needed help?

You can see, Madam Speaker, from the few examples that I have given that the government is not abandoning anyone, let alone northerners whose livelihood the Labour Force Development Strategy is designed to secure. I wish I could say the same for the other place.

Our goal is to continue to provide the necessary safety net for those in need while fostering a dynamic economy where workers enjoy opportunities.

Canadians deserve the best in social programs that we can deliver. We believe that Bill C-21 will do that.

[*Translation*]

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): Madam Speaker, first of all, a few words about the hon. member's magnificent speech, mainly about Bill C-21.

What is the connection between Bill C-21 and an opposition motion that says or appears to say that the Canadian government does nothing for northern regions? I think even Bill C-21 recognizes the fact that some regions should receive more than others.

Madam Speaker, as you know, Bill C-21 also provides for a new designation of economic regions. In Quebec, in more remote areas, this is extremely important, because often these communities are far removed from our urban centres and are more or less ignored. In the past, before Bill C-21, they were included with our large urban centres, and they were, in fact, terribly penalized because of the way the regional unemployment rate was calculated. It was far more difficult for people to obtain unemployment insurance benefits or access to programs tailored to the needs of regions that are economically and socially disadvantaged.

Madam Speaker, unfortunately, Bill C-21, which was tabled in the House, is now being held up in the most partisan way by the Liberal Senate. This means we cannot implement measures that are adapted to today's needs, measures that will recognize the needs of isolated regions, of centres that need more government assistance than others. Unfortunately, because of the present delay caused, as I said earlier, by the Liberal Senate, all Canadians will have to pay the price.

And as far as the opposition motion is concerned, I read that the government is condemned for its lack of commitment to economic diversification.

Madam Speaker, when we look at what has been done in the way of job creation since 1984, and when we know that since 1984, 1.6 million jobs have been created in this country, 80 per cent of which are permanent jobs, I don't think this happened exclusively in our large urban centres.

When we look at the distribution of government funds among the provinces, it is clear that every part of the country has been affected.

When we look at what the government did in terms of decentralization— My colleague from northern Ontario was telling me that since FedNor was established, people in outlying areas can call on local officials and agencies without having to go to the large centres such as Toronto, Montreal, Vancouver and Victoria. Regional development is within their reach. And the government knew that, by creating agencies such as the Western Diversification Office, the Atlantic Canada Opportunities Agency and FedNor, implementing the Eastern Plan, signing the Canada-Quebec Agreement on Regional Development and providing funds for northern regions, it was decentralizing this money. It did it not to hinder but to promote the development of isolated areas because decentralization brings us closer to the problems. We are thus able to find solutions and make immediate decisions without having to go back through the system. I do not want to blame officials, far from it, but often when they get documents from a remote area, they are

not too sure where it is and what the problems are. Sometimes they say yes, sometimes they say no.

By decentralizing, the progressive conservative federal government has provided a great deal of services to the Canadian people.

The Opposition says that we did almost nothing for diversification. I want to remind them that since 1984, we have signed federal-provincial agreements with each and all of the ten Canadian provinces in most of the crucial economical sectors like agriculture, forestry, mining, transportation, all economical sectors that promote regional development, that result in the success or the failure of a region.

In Quebec, we do have some remote areas, although they may not be as far up north as some of those areas in other provinces. The federal government has been supporting Quebec's remote areas, especially its forest industry, with the Eastern Quebec Development Plan, put in place to assist what was considered a doomed region about twenty years ago, because of a perceived lack of economic activities and initiatives necessary for the survival of the communities. With Phase II of the Eastern Plan, the federal government injected close to $50 million to help entrepreneurs develop forestry resources which are vital and essential not only to the economy, but also to the environment. That gives you an example of what we have done.

As far as regional development is concerned, I mentioned earlier the Canada-Quebec Industrial Development Agreement that involved some outlying areas. Some funds have been frozen, if I may use that expression, to be used for those areas only. We have given them the opportunity to do more, to develop at their own pace, since sometimes remote areas cannot develop as fast as larger centres, not because of a lack of willingness of course, but often because of insufficient financial, human, and other resources. By implementing specific programs for those areas, the federal government has made a step in the right direction. But we still have a long way to go.

The government does not believe it solved all the problems of remote regions in Canada, nor does it intend to say it did. As we know, there are about 26 million of us in a huge country, we have to deal with long distances, a small population and the whole economic question which, let it be said, is not always easy. Nevertheless, we signed agreements with the provinces, agreements which worked well, and this is new in Canada. Serious negotiations between the federal government and the provinces, strategies to share the more efficient spending of money between the provinces, the federal government, the institutions and the regions, are new indeed.

• (1750)

It wasn't easy, I admit, but the cooperation that had been lacking for several years was rediscovered at a negotiation table where there were frank exchanges of views and finally, we succeeded in many instances in doing more with less.

During those discussions, Madam Speaker, we came to recognize that there are some regions that need more intervention by the governments, where the amount of help cannot be arbitrary and has to exceed what was planned or what is considered to be the national average.

Madam Speaker, I am happy I was directly or indirectly part of the process by giving my support to my government these last few years.

The forestry agreement is extremely important. Some hon. members said a few minutes ago that the federal government did nothing concerning the 15 per cent surtax on softwood lumber exported to the U.S. but I can say, Madam Speaker, that the—

There were discussions with each of the Canadian provinces, the majority of which, 9 out of 10, including Quebec, of course, and British Columbia, the two biggest softwood producing provinces, accepted to negotiate, to cooperate in order to find a solution where as the money, instead of going to the American Treasury stayed in Canada where it could be used to develop the forest sector.

Thanks to that kind of joint action and discussions we were able to better help the forestry sector.

Madam Speaker, I was quite amazed this morning when the hon. member for Algoma, who is usually such a good critic in agricultural matters, said that the federal government had done next to nothing for agriculture. Let me remind him that we have increased spending in agriculture by close to 600 per 100 since 1984.

Let me remind him also that this government that introduced a long term dairy policy, a policy long awaited since the early 1980s, but which the Liberal government did not want to give to farmers.

Moreover, I would like to remind him that this governement has done enormously for our Western Canadian producers in terms of spending, in terms of money granted as drought relief.

Finally, in all the intiatives the government has undertaken in the last few years, whether in agriculture, forestry, mining, natural resources or natural resources systems, it has always been present and taken its responsibilities, sometimes alone, often in co-operation with the provinces. That, Madam Speaker, has produced interesting results that allow us to say remote areas are getting more, will be getting even more in the future and will be able to look after themselves and develop to the full extent of their potential and aspirations.

Mr. Louis Plamondon (Richelieu): Madam Speaker, I wish to thank my colleague for his great speech, particularly for the clarifications he has given us.

I would however like him to explain what he meant exactly when he talked about two provinces signing or approving that agreement. Could he clarify that statement for us?

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): I thought my hon. colleague from Richelieu would start a debate, but I see that he chose to ask a question instead.

The two provinces are of course very important in the context of the discussions on the 15 per cent surtax. I must however remind the member that Quebec and British Columbia are not the only provinces to have agreed to take on that 15 per cent surtax. There are nine others.

Therefore, I could tell him that both the federal government and the provinces have taken their responsibilities regarding forestry. That goes to show once again our concern for those issues and to prove that we are interested in not only discussing them but solving them in a positive way.

[*English*]

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, I have a question for the Parliamentary Secretary to the Minister of Forestry.

Earlier in the debate there was some concern expressed about some of the forestry agreements and the manner in which they were being worked on, whether or not there were any increases at all in budgets since 1984, and whether or not silviculture and working closely with the industry has been part of forest management. With it being National Forest Week, could the parliamentary secretary take a moment to bring us up to date on exactly what the department is doing?

[*Translation*]

Mr. Champagne (Champlain): I suggest this is a most important issue, Madam Speaker. If we fully analyse the Department of Forestry, we discover that since 1984— as a matter of fact, in 1984, our Prime Minister had made a firm commitment to give back to forestry the status it deserved. How did we do it, Madam Speaker? By increasing by as much as 300 per cent the forestry budgets, and through Federal-Provincial agreements which resulted in over $1.1 billion investments in forestry. It is important for us, Madam Speaker. We went even further, because we are often blamed by the Opposition members who kept on asking the Hon. Member representing Northern Ontario what he had done under such and such agreement? I wish to remind them that from 1984 to 1988, or 1990, depending on their renewal date we signed the agreements.

We promised to do more and to renew these agreements. That is what we did with New Brunswick. That is what we did also with Nova Scotia. That is what we did finally with Newfoundland. That is what we did under the Eastern Quebec Plan. Madam Speaker, when the Minister of Forestry stood up in the House and promised to renew the agreements, to maintain the level of investments and to ensure the economic development of the forest industry, I think he clearly indicated his major interests and concerns as Minister of Forestry. By the way, Madam Speaker, it was our government which re-established forestry as a full department, no longer

dependent either on the Department of Environment or the Department of Agriculture or any other. It is a full fledged department which assumes its responsibilities and will continue to do so in the future.

Mr. Louis Plamondon (Richelieu): Madam Speaker, I am happy that my collegue from Champlain (Mr. Champagne) mentioned that this government created of a distinct department of forestry. Up to now, its functions where shared by several departments. This new department made it possible to have a greater concentration, more precise budgets, as well as a more equitable distribution of moneys. My collegue mentioned the provincial distribution, the federal-provincial agreements reached since we took power, and, of course, those signed with the province of Quebec, which has made the most of the money and the agreements to have a thriving forest industry.

There is still much to do, of course. But it seems we have been on the right track for the last few years, and that the policy stated once again by the minister is an indication that our forests are in good hands.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, unusual though this may sound in terms of forestry, I hail from a region half of which perhaps is covered by trees, and we are blessed with this exceptional Canadian industry which creates hundreds of thousands of jobs. I should point out that since 1984 our government has been very active in the forest sector, not only by establishing a full-fledged Department of Forestry but also by signing agreements which have enabled the regions to develop. This has made it possible to maintain and create hundreds of jobs, while at the same time working in close co-operation with the provinces to administer our forest resources. We knew this of course, but we made Canadians realize that forests are not an endless resource. Trees are renewable, sure, but this process can only be achieved through close co-operation on the part of both government levels. I would suggest that this is a good time to acknowledge the outstanding work done in this field by the current minister, the parliamentary secretary and various other people. I think that we as Canadians can be proud and expect a very promising future for Canada's forest industry.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

• (1800)

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

* * *

AIR SAFETY

Mr. Iain Angus (Thunder Bay—Atikokan): Madam Speaker, one is always juggling a number of roles in this place, but I am pleased have made it on time to raise with the government on this adjournment debate the response that I received in April 1989 dealing with the question of the safety of airlines.

On that day I raised with the minister the fact that at the same time that the House of Commons was considering the bill to amend and actually create the National Transportation Agency, the National Transportation Act, which is the vehicle for deregulation of air, primarily, that the government had in its hands documentation from its own senior staff which suggested that the government was not prepared to handle the ramifications of deregulation. By that, the document meant that they knew they did not have the staff to deal with the increase in the number of carriers that was clearly going to happen because of the experience in the United States where there would be a mushrooming of the number of airlines servicing points in this country.

We have seen it in my home community of Thunder Bay where we have tripled or quadrupled the number of flights in and out of the Thunder Bay airport. We have become a hub. What this document showed was that the government was not prepared in terms of having the right number of inspectors in place in the right places, nor did it have the other components of the kind of protection system that all of us in this House and all of our constituents expect to be there. We want to know that every time we get on a plane that that plane is safe. At the same time that this House was considering the deregulation bill, this report warned that Transport Canada did not have the trained bodies available to them in order to handle this influx.

We saw that in the United States there was an increase in the number of accidents. We have had an increase in incidents of problems with airline safety. We have had at least one carrier grounded because of its unsafe operation and its licence pulled by the Minister of Transport. We have seen questionable practices.

We have ongoing a major inquiry into the Dryden air crash. Some of the testimony before that inquiry has suggested that inspection was extremely lax. We have had other evidence in northwestern Ontario that a detected problem with an aircraft in terms of its welds was detected by an inspector in Winnipeg and recorded but never acted upon and ultimately that plane crashed because there was not the inspection procedure and follow-up that Canadians used to take for granted.

I was chastised by the minister at the time I raised the question for always connecting safety with deregulation. Ministers of Transport, right from the hon. member who is now the Deputy Prime Minister, through the minister of trade to the former Minister of Transport and even to the current one, kept saying that safety shall not be compromised. However, the reality is that there is cut-throat competition and the banker breathing down your neck, ensuring that you make those payments every Friday. If it comes down to making a choice between buying that replacement part that just is not worn out yet, but is close to the end of its life span, or making your payment to the bank, because you know if you do not make the payment to the bank they are going to pull the plug and put you into receivership, you take the chance. You say it is rated for 200 more hours and common sense tells me to replace it now, but I cannot afford common sense.

• (1805)

The government was warned of this, not just by my colleague, the member for Regina—Lumsden, who has recently celebrated more than 21 years on the transport committee of this House, but by their own bureaucrats that, at the very least, they did not have the capability of monitoring the changes that would occur in the aviation environment.

It goes beyond that. At the same time that the government was pushing deregulation, which I should remind the House was started by the Liberal government before them, they were cutting back on air traffic controllers, placing in jeopardy the people who travel and who live in areas around Vancouver and Toronto.

Madam Speaker, I know that you know that I could go on for minutes if not hours on this important matter, but I recognize that my time has run out. I thank you for your patience and with interest I am awaiting the response of the government.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, the government has said many times and it will continue to say that safety is our number one priority. Perhaps the problem is that the hon. member opposite does not like to accept the enormous success that has been the reality of economic regulatory reform. The promise of the National Transportation Act in 1987 that less regulation will result in competitive market forces thereby ensuring adequate service levels and the establishment of equitable fares, appears to have unfolded as envisaged.

It is important to note that two large carrier families have emerged, both of which effectively link together the opportunity for national, regional and local airlines. As a result, Canada now, for the first time, has two fully-competitive coast-to-coast networks providing intensive competition on heavily-travelled intercity routes and in local service markets. Yet, notwithstanding the development of the large carrier families, the ranks of independent air carriers continue to grow.

As far as the recent failures of some charter operations, it is most misleading to blame deregulation for this. Economic regulatory reform created an atmosphere in which to compete. In a competitive world, there will necessarily be adjustments, and some growth and some failures.

Turning to the question of provision of resources, yes, Transport Canada as a whole has taken a cut in person years in some areas. This is nothing new. These goals were established in the 1985 budget with the government's commitment to reducing the size of the public service. These reductions are being accomplished in a number of ways, none of which will impact on the safety or the security of the travelling public.

These reductions to our human resources have been accomplished through a co-ordinated program recognizing and streamlining administrative functions, reduction of levels of management, consolidation of support services, increased contracting out and increased use of technology. It is important to emphasize that none of these will be affecting the department's ability to assure transportation safety and security.

• (1810)

In fact, the continued safety of the system is such an important issue that the former Minister of Transport established a task force in order to seek the expertise of the private sector, industry and government. The aim of the task force is to ensure that we have the right resources and that they are used in the right way in order to meet the challenging needs of the future.

The task force has been asked to look into the aviation traffic system and to provide the minister with recommendations on the approaches that will ensure safety standards are always maintained while improving the efficiency of the system to cope with the anticipated demands of the coming years and into the 21st century.

The member has forgotten about some of our recent initiatives, such as RRAP, CAEDS and MOS. I would like to say to him that we are very concerned and will continue to ensure safety and that the National Transportation Agency will undertake a complete review of the impact by 1992.

[*Translation*]

REFUGEE STATUS

Mr. Mark Assad (Gatineau—La Lièvre): Madam Speaker, on April 9, I asked a question in the House about Lebanese refugees. I said to the minister that there were thousands of Lebanese here in Canada who had yet to obtain their refugee status and who were waiting for various committees to examine their files. I may point out, Madam Speaker, that the Lebanese are not the only ones, in fact there are a great number of people—I am particularly concerned about the Lebanese because I have had a lot of requests at my office and phone calls from Montreal. Many people from other countries come to Canada to live. Canada is a country of peace and opportunity, and it is perfectly normal that they should wish to live in this country.

In the past, Canadians were always known for their generosity to immigrants. If I may look back, I would like to say something about the role played by immigrants in Quebec and how they were received, and in fact, I have first-hand experience. My father, who came from Lebanon in 1906 to settle in Canada and who went to Quebec was very well received. My mother, of French-Canadian and Irish ancestry, raised nine children. So we have a whole family, my father's relatives, his brothers who came over from Lebanon and were well received in Quebec—I think there are very few countries that can pride themselves, as Quebec does, on having welcomed immigrants with open arms. Look at the mosaic we have in Montreal! There we see that immigrants enjoyed the same benefits of prosperity as all other Canadians.

Today, there are refugees, like the Lebanese and Romanians I have met, and people from countries like Peru and Chile and Central America. They are all here in Canada, waiting for committees to decide whether they can stay.

I believe that perhaps one of the most important characteristics of a people is its generosity in receiving others who are seeking peace and trying to make a life for themselves, to have children and take advantage of opportunities they did not have in their own countries.

I would like to focus mainly on the Lebanese community, which is well represented in Montreal and elsewhere in Quebec and Canada. Since 1975, they have experienced a terrible war in their country. And I may add, Madam Speaker, that they were not fully responsible for that war. The Lebanese people themselves are not directly responsible for the civil war. They are involved of course, but look at the presence of foreigners, Israeli soldiers in Lebanon, Syrian soldiers in Lebanon, they have no business there. But as you know, it is not easy to expel them in this kind of conflict. And so there are thousands of Lebanese and especially children who have suffered the most and who are forced to live through these hostilities.

But some of them have been lucky, for it must be said that one has to be lucky to reach the island of Cyprus or flee elsewhere in the Middle East and eventually land on Canadian soil. I know that many of them did not come here through normal and legal channels. Some landed here with tourist visas and claimed refugee status. I can understand them. When you come from a war-torn country, it stands to reason that you would want to remain in Canada. Who would not? In committee I saw reports where these Lebanese people explained why

they wanted to be given refugee status. Unfortunately they are told: Well, you have no sound motive to seek refugee status. Or else they are told: We do not believe your story. They are hardly in a position to know what really happened. When looking at a country destroyed by war, I would be inclined to believe that they are quite right to seek asylum in this land. That is why I made insistent representations by letter and by phone to the Minister's office to ask her not to return any Lebanese nationals to their country, at least for now. I say "their country" but it is shared by foreign armies. I am asking her not to deport any Lebanese citizens.

I would ask the same thing for victims of harassment, in Central America for instance. That is all. It is that simple, Madam Speaker. I am confident that the Canadian people will understand my request and I would ask those listening to my speech to send the Minister a letter saying: "Given the conditions in which these people live, especially the Lebanese but also Central Americans and others, those who are here should be given the chance to be heard. We should also find every reason to be as generous as possible and grant them refugee status so that they can live in peace.

[*English*]

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Madam Speaker, since the beginning of the civil war in the mid-1970s the Canadian government has with only brief interruption facilitated the immigration of Lebanese affected by the fighting who have close relatives in Canada.

The Lebanese special measures have allowed more than 17,000 assisted relative category immigrants to come to Canada under relaxed criteria. Many of those would not have qualified under normal circumstances or criteria. Together with those whose admission was authorized under normal immigration criteria, this constitutes a major contribution to the alleviation of the distress experienced by relatives of Canadian citizens and residents. The program is precisely designed to match Canadian efforts with the needs of those persons of direct concern to Canada: those who are the relatives of our citizens and residents and those directly affected by the civil strife in Lebanon.

The hon. member knows that Canada withdrew its embassy from Beirut in 1985 because of the danger posed to Canada based staff. On April 27 1989 Canada opened a temporary immigration office in Nicosia, Cyprus in response to the influx of Lebanese to Cyprus. The office complement is now three Canadian visa officers, four Quebec immigration officers, and 22 locally engaged employees. Consequently, that office provides Lebanese applicants with a quality of service comparable or superior to any Canadian visa post abroad.

From the opening of the temporary office in Nicosia until April 5, 1990, that office issued more than 5,000 immigrant visas, 657 visitor visas, and 175 ministerial permits to Lebanese. To the end of March, our office in Damascus has in 1990 issued 1,668 immigrant visas and 227 visitor visas to Lebanese citizens.

Canada is the only country to have implemented such special measures and to have increased the levels of service in response to the flight of Lebanese nationals to Cyprus. Our response is both sympathetic and effective in considering the needs of individuals affected by the situation in Lebanon. We shall continue to assess the situation as additional issues emerge.

With respect to the immigration and refugee board, members of the board undergo extensive training to assist them in carrying out their responsibility of determining whether or not claimants are refugees as described by the 1951 United Nations Convention relating to the status of refugees. The acceptance rate for refugee claimants from Lebanon was 82 per cent in 1989.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The motion to adjourn the House is now deemed to be adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.20 p.m.

HOUSE OF COMMONS

Friday, May 11, 1990

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF MULTICULTURALISM AND CITIZENSHIP ACT

MEASURE TO ENACT

Hon. Tom Hockin (for the Prime Minister) moved that Bill C-18, an act to establish the Department of Multiculturalism and Citizenship and to amend certain acts in relation thereto, be read the third time and passed.

Mr. Barry Moore (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Madam Speaker, it is with a great deal of pleasure that I open third reading debate on Bill C-18. The minister could not be here today due to a long-standing commitment he had in Winnipeg.

We are now in the final phase of deliberations on Bill C-18, an act to establish the Department of Multiculturalism and Citizenship.

Moving this bill through its final stages in the House and on to the other place follows a strong commitment of the Prime Minister reaffirmed a few weeks ago in Toronto. The Prime Minister did so because he knows this department will help strengthen our sense of being Canadian and promote equality for all in Canada.

[*Translation*]

Last June the Secretary of State told the legislative committee to which Bill C-18 had been referred that it was nothing more than a housekeeping measure. In short, it is a bill concerning government management and aimed at establishing a new department.

• (1010)

[*English*]

In the debate on this bill we have heard small voices rooted in the past, urging Canadians to look backward, urging Canadians to grind the wheels of social progress to a halt.

We have listened to some hon. members in the Opposition. The government has reviewed the amendments they proposed at committee stage and in the House, amendments that go far beyond the scope of this bill.

As the minister explained in detail at committee hearings on Bill C-18, this legislation is an administrative measure to provide the legal framework for a department. It does not in any way replace the Multiculturalism Act or the Citizenship Act.

Yet, time and time again, my hon. colleagues have been critical of the bill because it does not include a definition of multiculturalism. Quite frankly, their logic is elusive.

I would direct my hon. colleagues to read the title of the bill. We are not talking about a department of multiculturalism only. Do members of the opposition suggest we be so flippant as to dismiss the citizenship mandate of this department? Why are they only speaking to one side of the department?

None of them over there has even given the slightest thought to the imbalance that will arise if we defend multiculturalism and do not do the same for citizenship. They do not understand that we have given a much broader scope to this institution than just multiculturalism.

Maybe they just were not listening, or maybe they were only listening to certain overly vocal lobbyists.

Sometimes the most obvious is worth reiterating. There is a difference between a department and the policy that falls within its mandate. A department is an instrument. It is put in place to help implement the policy. It is not the policy itself. All departments are

administrative instruments for implementing policies and programs.

Unfortunately, some members have forgotten this important distinction. They have proposed amendments that go far beyond the scope of an administrative bill. Ironically, they would be limiting the scope of the department to narrow issues. They would limit the department only to multicultural matters. They and their lobbyist friends would create an ethnic ghetto in the name of providing what they call "precision".

Do we really want to re-open debates that took place in 1988 on the Canadian Multiculturalism Act, an act which was passed unanimously by this House and which embodies our multicultural policy? Who were the members of the opposition listening to then? They were hearing many voices, but listening to only one, a decidedly negative voice—the executive of the Canadian Ethnocultural Council.

Let me remind the House and the Opposition that this organization originally favoured a strong Department of Multiculturalism and Citizenship. But when we did not accede to the narrow, and let me say, self-serving proposals it made to the legislative committee, it changed horses mid-stream, retracting its support.

I suggest to my colleagues across the way that there are some other voices out there that they should be listening to. For example, they should be listening to the Canadian Citizenship Federation, the National Voluntary Organization, national literacy groups from across the country, Harambi Centres Canada, the Committee for Racial Justice, the Association of Multiculturalism, and immigrant serving agencies of British Columbia, to name but a few.

This government believes their views do count. The thousands upon thousands of Canadians who have expressed their support for the establishment of a Department of Multiculturalism and Citizenship should not be ignored. If there is an outstanding characteristic of this department, it is that it is inclusionary. Everyone has a stake in this federal department, just as they do in our nation-building.

[*Translation*]

The sole purpose of Bill C-18 is to establish the Department of Multiculturalism and Citizenship whose mandate will be to promote equality, fight against racism, and strengthen our common values.

[*English*]

With this bill we in Parliament are seeking to make multiculturalism and citizenship integral parts of the mainstream life of this nation. I believe the gap between our aspirations and reality is slowly narrowing. We have built up an equity in our multicultural policy. We are not starting over again. We are not going back to square one, as members of the Opposition would have us do.

We have rejected the old, tired ideas of the past about what multiculturalism means to Canada. This Department of Multiculturalism and Citizenship will carry out a more meaningful policy. It will help move us one more step forward toward a higher ideal for this country.

[*Translation*]

The department will relate to all Canadians, men and women alike, for they are all members of our multicultural society and share the binding link of citizenship.

There is no question here of a department solely responsible for multiculturalism nor of a small token department for so-called "ethnic groups". The government simply will not indulge in that kind of cynicism.

[*English*]

The creation of this department follows directly from the vision and the ideals expressed in the Canadian Multiculturalism Act of 1988. As a people we recognize that multiculturalism is a fundamental characteristic of our society. Multiculturalism is essential to an understanding of what it means to be a Canadian.

As well, one of our strongest ties as a people is our shared Canadian citizenship. It is both a symbolic link and a living expression of our Canadian unity.

Canadian citizenship is never a final achievement. The new Department of Multiculturalism and Citizenship will foster a greater sense among all Canadians of the

responsibilities that go hand in hand with the rights of our citizenship.

When the Prime Minister announced his intention to set up this new department, he sought the careful balance of multiculturalism and citizenship as characteristics central to our contemporary sense of Canada. He did so with great insight. The Prime Minister recognized that governments cannot live our lives for us. They cannot exclude the Canadian people from their own social policies. Certainly, this is true of multiculturalism and citizenship which are elements central to our being Canadian.

Canadians must judge the new department on its aims and objectives, what it strives to achieve within the context of contemporary Canadian society. I would like to cite some examples, such as enhanced literacy, greater understanding about the value of human rights, more widespread participation in the critically important voluntary sector, fighting racism, and promoting the values inherent in our shared citizenship.

I will tell the House what this department is not about. It is not about confrontations, quotas or regulations. The department's mandate is to work co-operatively within government and with all sectors of our society to build a Canada where there are no barriers, a Canada where each of us as individuals can contribute fully to the prosperity, growth, and development of the country, and where everyone can assume all the rights and responsibilities as citizens of this great land of ours.

The greatest strength of the new Department of Multiculturalism and Citizenship resides in the very ideals that give shape to its mandate. Few countries and few people can claim so many close ties between communities. The department seeks to foster these ties to promote greater understanding among Canadians.

Yes, as Canadians, we do have great expectations for ourselves and for our country.

We must fight racism, the sometimes quietness of racism. I believe the most dangerous kind of prejudice is not necessarily the loudest. We must work to ensure that all Canadians have an opportunity to contribute to society and that they can assume and exercise the rights and responsibilities inherent in our citizenship. We must strive to teach all Canadians, new and old, of the values which are fundamental to our understanding of being Canadian.

• (1020)

How can ideas as vibrant as these be captured in a static definition? This has eluded our friends across the way.

A new Department of Multiculturalism and Citizenship cannot do it all, of course, but it can help focus our energy. It can assist in making our vision and our hopes possible.

This department is about fairness and equality. It is about our future together. That is the heart and soul of its mission.

[*Translation*]

The new Department of Multiculturalism and Citizenship will strengthen our previous commitments as expressed in the Charter of Rights and Freedoms, the Canadian Multiculturalism Act, and new legislation on citizenship. This country needs the contribution of each and every citizen, and we must ensure that all Canadians are given every opportunity to do their share.

The estimates of the new department are an unmistakable indication of our intentions. They relate to participation, understanding, awareness, and enhancement of our society's basic values. The Department of Multiculturalism and Citizenship will become a key department for the future of the country. The department will not be control- or protest-oriented, but rather dedicated to the fulfilment of the hopes harboured by all Canadians.

[*English*]

I would like to conclude my remarks today by encouraging hon. members to support this bill, and to move it rapidly to its passage.

I urge them to do so for their fellow Canadians. People are what this country is all about. They are all this nation of ours can be. In the end, it is not departments or agencies that are the legacy of an administration or a Parliament, but the human progress that is achieved.

Today, the government is living up to a promise we made to all Canadians, for all Canadians. We do so mindful that there is an even greater promise to keep. We must work together for the day when all our citizens

enjoy the full richness of life in our beloved Canada. Only then can we say we are truly satisfied.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The hon. member for Saint-Laurent-Cartierville (Mrs. Maheu) has a question?

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Thank you, Madam Speaker. The hon. member for Pontiac—Gatineau—Labelle raised a number of points on which I would like to comment, but unfortunately, we don't have enough time.

[*English*]

I wonder what the hon. member means when he says that certain groups are trying to grind the wheels of social progress to a halt.

He also referred to a definition of multiculturalism. A little further in his speech he asked: What does multiculturalism mean to Canada? I submit that it is up to this member and this government to give us finally a definition of multiculturalism. That is what we have been asking for.

We have been asking the minister and the department to tell us what multiculturalism means to this government. As a matter of fact, we are questioning the commitment that appears to be there when we talk about it. We pay lip-service to it, but what are we really doing?

The hon. member also said that members of the Opposition and the other party are not defending citizenship. I do not know where the member hides himself, but in my riding the almost all the immigrants become citizens. Every chance we have, we talk about Canada. We talk about them choosing this as their country. If they want to become citizens of our country, we are there to help them. I have worked in the community at the grass roots for 20 years. I know what I am talking about.

The hon. member talked about an ethnic ghetto that is being formed. Before too long, the ethnic communities of the country are going to outnumber the francophones and the British who founded it. I do not think we are forming a ghetto in this country at all. I object to anyone saying that the Canadian Ethnocultural Council is trying to form an ethnic ghetto. It represents about 20 or 30 groups in the country. Let us tell the National Italian Congress of Canada that it wants to form an ethnic ghetto. Let us tell CRARR from Montreal that it wants to form an ethnic ghetto. I strongly object to that suggestion.

I would like the member to explain how a ministry or a department, with no logical objectives, no responsibilities, and no accountability, can help the multicultural mosaic of our country.

The Acting Speaker (Mrs. Champagne): Debate.

Mrs. Maheu: That was a question.

The Acting Speaker (Mrs. Champagne): I made a mistake earlier when I asked for questions. There are no questions or comments following the speeches of the first two speakers at third reading. It was my mistake. I thought the hon. member was rising on debate. The hon. member may continue on debate.

* * *

BUSINESS OF THE HOUSE

PRIVATE MEMBERS' BUSINESS

The Acting Speaker (Mrs. Champagne): Before the hon. member begins, I wish to advise the House that I have received written notice from the hon. member for Edmonton Northwest that he is unable to move his motion during Private Members' Business on Monday, May 14, 1990.

[*Translation*]

Since the Chair is unable to arrange an exchange on the order of precedence, Private Members' Hour will be suspended for that day, pursuant to Standing Order 94.

[*English*]

Mr. Jim Hawkes (Calgary West): Madam Speaker, I rise on a point of order. There have been consultations among the parties in light of the announcement that you just made. I think you would find unanimous consent for the receipt and passage of the following motion. I move:

> That, notwithstanding any Standing Order, on Monday, May 14, 1990, the House meet at one o'clock p.m. and proceed to the consideration of Government Orders from one o'clock p.m. to two o'clock p.m.

The Acting Speaker (Mrs. Champagne): Is there unanimous consent for the hon. member to move his motion?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Champagne): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to

* * *

DEPARTMENT OF MULTICULTURALISM AND CITIZENSHIP ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mulroney that Bill C-18, an Act to establish the Department of Multiculturalism and Citizenship and to amend certain acts in relation thereto, be read the third time and passed.

The Acting Speaker (Mrs. Champagne): Resuming debate, the hon. member for Saint Laurent—Cartierville.

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, it is too bad there is not a period for questions and comments. The member raised several points that I feel were contentious.

[*Translation*]

As multiculturalism and citizenship spokesperson with my colleague for Broadview—Greenwood, I welcome this opportunity to take part in the debate today. The government is to be commended for tabling this bill. Creating a Department of Multiculturalism and Citizenship is a positive gestures, reflecting our recognition of the diversity and equality of all Canadians, irrespective of race, nationality or creed.

[*English*]

This new department is a step in the right direction, but for it to be more than a front—and that is what I was referring to—it must be a leader from the start. It is necessary that a senior minister take charge and, also, that part of the staff represent or at least be knowledgeable of the real needs of the different groups it wishes to help. Without clear goals and a good framework, it would be difficult to assess the demands and effectively react, thus the importance of objectives and controls from the start.

• (1030)

[*Translation*]

Today, almost 40 per cent of the Canadian population is of ethnic origin—that is, not French or British—and this percentage is increasing steadily. Our new multicultural reality is both a major asset and an extraordinary challenge for Canada. It is a major asset, because the entire country can benefit from this multicultural diversity, both economically and culturally.

Canada's future depends on its ability to recognize and promote this Canadian mosaic. Recognizing and encouraging this fundamental characteristic of our country means, in practical terms, that we must develop political mechanisms and programs that will enable Canadian society to establish harmonious interracial relations, based on mutual respect and equal participation.

That is the challenge of Canadian multiculturalism. Failure to meet this challenge would be a serious threat to our future. Imagine what our country would be like if intolerance, racial tension and conflict, were the rule.

[*English*]

Canada cannot afford, if it wishes to stay a country, a rise in tension and intolerance between the different groups living here. It is a new challenge because we are now discovering new minorities and different races all over this country. We must learn to accept and learn from these new groups as they from us. The road towards social harmony is a long one but it is one that the government has accepted to take. Let us stay alert and assure it fulfils its task.

[*Translation*]

Madam Speaker, while recognizing the importance of a Department of Multiculturalism and Citizenship, I question the potential for action by this department. It seems there are still a number of gray areas in this bill, despite all our efforts in the legislative committee to clarify certain points and suggest amendments. Unfortunately, we did not succeed.

Most issues relating to multiculturalism and citizenship will be the responsibility of a new minister whose duties will include ensuring that the multiculturalism policy announced in the Department of Multiculturalism and citizenship Act is implemented. He must monitor

the policies of all departments and federal institutions, which is not made sufficiently clear in the bill.

Madam Speaker, the specific duties of the minister, as set forth in the bill, include to promote national policies and programs with respect to multiculturalism and citizenship; to provide services for the acquisition of citizenship; to promote greater understanding of human rights; and to make grants and contributions in support of special programs for race relations.

[*English*]

The new minister's mandate is a very broad one, so broad that one wonders how it will be possible to control what is to be done effectively in the new department and what is to be done in all other departments affected by the minimum quotas to be respected with regard to hiring people from different minority groups, among other things.

[*Translation*]

Madam Speaker, while the government is to be commended for increasing funds to promote race relations, I must say that at the same time, the government has disappointed both me and community groups by imposing budget cuts on organizations involved with ethnic groups, native people, the disabled, young people and especially, special-interest groups.

My point is, Madam Speaker, that while overall, the budget for multiculturalism has gone up, the funds for community support and participation have decreased by $400,000 this year. This represents a 15 per cent cut in funding for such groups as the Canadian Ethnocultural Council.

[*English*]

The Canada Ethnocultural Council represents 40 groups across the country. When they bowed down and said: "Yes sir, how high do I jump?", that was fine. The minute they started questioning politics and government policy, they are no longer considered to be a representative group of cultural communities.

[*Translation*]

These groups act as coordinating and liaison bodies to help the different communities communicate with each other and with the various levels of government.

Madam Speaker, I am also concerned because we do not know whether the obvious trend to limit operating grants for groups will last for one year or more. If it continues, the Department of Multiculturalism will be less effective in fighting racism in Canada. It is important for the department to co-operate closely with these organizations so that it is aware of what is in fact happening, and for that, it is essential that these organizations survive.

Madam Speaker, another point that I consider worth mentioning is the staff of the new department. The present employees to be transferred from the Secretary of State's Department are too few to fulfil the responsibilities of this new department.

Mr. Moore: It changes nothing!

Mrs. Maheu: Oh! I would like to have an explanation as to how it changes nothing.

Clause 5 of the bill stipulates that the minister's duties are to initiate, recommend, coordinate, implement and promote national policies and programs with respect to multiculturalism and citizenship. This is a big responsibility and the number of people working in this new department and the funds to support them must be increased for it to be effective.

It is also very important that additional staff be of diverse origins and cultures. It is essential that the new department set an example in hiring visible minorities, but it is just as important for those working there to be aware of the issues. They must come from the grass roots and understand the real needs of the communities so that they actually represent what Canada is today.

Madam Speaker, it is essential to hire people who are culturally attuned to multiculturalism and it is also important to provide funds for community programs. It is essential that groups speaking on behalf of cultural communities have sufficient funds to remain a real resource that helps the government in its work.

Madam Speaker, it is also necessary to provide a medium- and long-term budget so that the new department and the various organizations representing groups can take positive action from the start in order to give effective recognition to the mosaic that is Canada in 1990. Above all, we must not have a department with expectations that cannot be met because of budget cuts.

Neither must the funds given to the new department come from cuts to associations reflecting the various groups across the country. Both must work together so that the new department meets the challenge it has set itself and for that, the minister must have both the staff and the budget.

[*English*]

Without a budget a department cannot function. With only a short-term budget, projects will be limited and poorly motivated because of a lack of security. A new department, and especially this one, must be guaranteed a long-term budget if it is to be pro-active in today's society and permit all to be treated equally in fact and not merely on paper.

• (1040)

[*Translation*]

Madam Speaker, the department must not be allowed to become a department of good intentions which pave the road to hell, as they say. It must be an active department. By creating expectations and promising positive action, the government has put it reputation on the line. Now it will have to deliver.

Here is what the minister said in his speech in June, and I quote: "The central responsibility of this department is to strengthen the solidarity of the Canadian people by ensuring that all Canadians participate fully and without discrimination in defining and building Canada's future. This is a time of change and transition in our nation, a time when the evolving cultural and racial diversity of contemporary Canada presents a new image of what we are as Canadians. It is a time when we are seeking to ensure that all Canadians receive fair and equal treatment, that all Canadians have the same chance to participate and to achieve their dreams."

If we really want all Canadians to have the same chance to participate, it is crucial that all citizens have access to current events, so that they can have their say, either through presentations, letters, elections or by any other means. This implies that everyone must be able to read, write and communicate in one of our official languages. That is a major challenge, but it is one the new minister will have to meet early on, if he really wants all Canadians to have the same chance to understand what is happening in our country.

Madam Speaker, to ensure all these pious wishes come true, we feel that, as recommended by a number of groups that appeared before the legislative committee, it would be desirable to have a commissioner of multiculturalism who would monitor enforcement of the Department of Multiculturalism and Citizenship Act. This position would be similar to that of the Commissioner of Official Languages, and its incumbent would operate on an arms-length basis to ensure his right to criticize.

Madam Speaker, another option would be to have the Canadian Human Rights Commission monitor implementation of multiculturalism and rule on complaints filed with respect to multiculturalism and citizenship, as provided under the Canadian Human Rights Act.

Madam Speaker, our emphasis on the need for monitoring by a commissioner is merely to ensure that in the years to come, under the department or government that happens to be there at the time, there will be positive action, with programs directed towards the future, programs that are people-oriented and that teach the target population.

Not that we have any particular doubts about the effectiveness of the future minister, especially since we don't know yet who it will be. Will there be a new minister? Will it be the Secretary of State again? We also have some concern about responsibilities that have not yet been set out. We are concerned, however, about ensuring continuity between the written word and concrete action, so that all Canadians become aware of a genuine openness in Canada, directed to those who make this country what it is today and what it will be tomorrow, on the eve of the twenty-first century.

Madam Speaker, a tool that has been little or poorly used to promote and understand the differences that make us unique as Canadians is the media, and especially television.

It is essential that what we see on television reflects the multicultural and multiracial reality of the Canada in which we live. It is also very important, Madam Speaker, if we are to have a proper understanding of the needs of the various groups this medium is to represent, to have on staff people of different backgrounds and races, who are aware of the needs and are in touch with these communities, so that the correct image is projected. Once again, by example and education we can discover

together the rich resources of this country and those who live in it.

Whatever our background, we are all Canadians and proud of it. That is the reality that should be projected through all the media. It is essential that the government uses wisely the tools at its disposal, so that all Canadians will have the same chance to participate.

Madam Speaker, as I said earlier, creating the Department of Multiculturalism and Citizenship is an important step towards the future, but the government creates expectations it must be able to meet.

To ensure the department's credibility from the outset, Bill C-18, an Act to establish the Department of Multiculturalism and Citizenship and to amend certain Acts in relation thereto, must contain a reference to Bill C-93, an Act for the preservation and enhancement of multiculturalism in Canada. This reference, Madam Speaker, will provide a better framework for the new department by including, for instance, a definition of multiculturalism.

We realize that Bill C-18 is the logical sequel to Bill C-93, since the government wants to create a department. But to avoid misunderstanding or false expectations about the new department, it is necessary to clearly state for whom this department exists, so that its future actions and positions can be better understood.

It is still fundamental to lay the proper groundwork, including the rationale, power and target groups of the new department, so that it starts off on the right foot, whence the importance of reference to Bill C-93. What seems obvious today, which would justify not referring to Bill C-93, will not necessarily be obvious tomorrow. It is always better to have more information rather than less, so that we will have a department that can take its rightful place and meet its commitments.

[*English*]

If the government really does wish to have a new department that will have a positive impact on our society it is important that, from the beginning, the role, mandate, budget and control system be specified, thus avoiding unnecessary mistakes.

[*Translation*]

While we appreciate the creation of a new Department of Multiculturalism and Citizenship, we remain cautious about its future effectiveness. Since it has such a broad mandate, we will remain on the lookout to see if it will in fact take positive action and have clout in 1990. The government has raised expectations in various ethnic and racial groups. Let us see whether it will keep its promises.

[*English*]

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I am pleased to rise on third reading stage of Bill C-18.

I think it is unfortunate, as my colleague said, that we were not able to respond to some of the comments made by the spokesperson for the minister as he was actually distorting the facts, perhaps because he was not involved in the committee procedure. Bill C-18 should be much more than a housekeeping bill and more than just an administrative bill. It is an important piece of legislation which should provide the mechanism and structure for implementation of the Canadian Multiculturalism Act. We all know that was the act passed in 1988 to preserve and enhance multiculturalism in Canada.

• (1050)

It should also be the vehicle to strengthen and promote Canadian citizenship, the values which unite all of us as Canadians, and promote a national identity regardless of our ethnic origins.

I am resentful of the comment of the minister's spokesman in this regard when he said that we were ignoring citizenship. It was my amendments that proposed changing the title of the act to put citizenship first, to put a definition of citizenship in the act and to strengthen the wording in several sections. I hope the minister's spokesmen will correct his information.

There is no reason why an administrative bill should not have a clearly defined purpose. In this case the purpose is to implement multiculturalism as spelled out in the Multiculturalism Act. That is the very reason we need a separate department.

The main purpose of the bill is to establish a department of multiculturalism and citizenship. I would prefer

to call this a department of citizenship and multiculturalism, stressing our commonality as Canadians first, and then our diversity. This was not accepted by the minister, so I question his spokesman today.

We supported the establishment of a separate department of multiculturalism and citizenship at second reading because we felt it was needed. We still feel it is needed. We want an effective department. It is needed to provide leadership, visibility and the resources to move Canada forward as a multicultural, multiracial society. Perhaps some day it will not be needed; when we have truly achieved equality for all our citizens and when we are truly multicultural. Until that time, we feel a department is needed.

We wanted a ministry and a department that would be recognized by cabinet, that would have a strong mandate within the government, that would have the power to bring about institutional reforms in all government departments and federal institutions. That is what the Multiculturalism Act was set up to do and what this bill should be administering. It should be a vehicle, not just to sponsor multicultural events and fund programs, as is done through Secretary of State. We need this to continue and we need funds to be assured and increased in that regard. A multicultural department should also be a catalyst to bring about major changes in the policies, attitudes and practices of our country's institutions to make us multicultural in fact, not just in words.

We are in a critical time in our history as a nation. We have moved from being a colonial society formed from two European countries that ignored aboriginal peoples and immigrants from other countries. We must stop thinking of ourselves as people of French and English origins primarily with the "others" category tacked on as a vague third multiethnic category and native people added as an afterthought. We do not need four categories in Canada. We are one people. We are a multicultural, multiracial society in Canada. It is time our institutions of government reflect that. That is what a department of multiculturalism would aim to do. Therefore, it must be spelled out in the mandate of the department. That is why we want definitions and tougher language, particularly in reference to racism.

We must respect and appreciate the rich diversity of all our people, while actively promoting a unified, multicultural Canada that respects diversity and protects the rights of all citizens equally. Multiculturalism is for all Canadians. We do not want that statement to be just jargon, we want it to be there in the protection of rights and in the provision of open opportunities for all people, regardless of their ethnicity or race. I think we are moving into a new era in Canada and our constitutional struggles reflect this. Strong advocates for multiculturalism are urgently needed in the constitutional debate to implant in our national psyche that we have arrived. We are not just a bilingual, bicultural, white Canada, we are a multicultural country of colour. We should rejoice being a rich mosaic.

Bill C-18 offered a wonderful and timely opportunity to take us another step forward to clearly define multiculturalism more clearly and to listen to the wishes of ethnocultural communities and a range of ethnocultural groups. We heard from a number of them at committee stage, but not nearly enough. There were some groups that were left out and they felt badly about this. We should be promoting equality and justice for all Canadians. Witnesses who appeared in committee agreed that the bill should be strengthened. This was felt by all witnesses, not just the Canadian Ethnocultural Council which seems to be such a threat to the government because it cannot take advocacy or criticism any more. There are many groups and that organization represents national groups which in turn represent millions of people across the country. It is a pretty broadly-based constituency.

The responsibility of the minister and the new department should have been directly related to the new Multiculturalism Act. That is why the minister did not bring in any direct reference in this bill. Also, he refused amendments in that regard. We wanted to include a clearer definition of multiculturalism and we wanted a mandate for the minister to act as the lead minister in implementing multiculturalism. I know my colleague from the Liberal caucus spoke strongly on that issue many times.

We wanted a specific reference to the elimination of racism. I remember the Congress of Black Women speaking with great eloquence on this point. I drafted amendments based on their appeal. We wanted the promotion of employment equity for cultural and racial minorities. Surely this could have been made explicit in the bill. We wanted the establishment of an independent commissioner of multiculturalism to monitor programs

similar to the Official Languages Commissioner. Representatives of citizenship organizations, and I hope my friend on the opposite side who was so critical about admission of citizenship will listen to this because we listened to the representatives of the citizenship organization, wanted a much greater emphasis on citizenship in this bill. We proposed a name change and the toughening up of a number of sections to do this. But the government and the minister were the ones who turned this down in committee, so let us get the facts straight in this House today.

In the Standing Committee on Multiculturalism, which was meeting concurrently with the legislative committee, we worked as an all-party group to get consensus on an all-party definition of multiculturalism. We took the preamble to Bill C-93, so it was not anything new. It was not an invention of myself or anyone else. It was in the act but we were rephrasing it and putting in a slightly tougher wording on the equality aspects. We agreed in the standing committee that this should be presented. The minister would not listen to it. It is ironic that the government at report stage of the bill had to bring in a hundred Tories to vote against the simple definition of multiculturalism. They could have brought in their own definition if they wanted to and we would not have cared. They obviously did not want to strengthen this bill.

I would like to refer the House to our proposed preamble which referred to strengthening the Citizenship Act which provides that all Canadians, whether by birth or by choice, should enjoy equal status and are entitled the same rights, powers and privileges and are subject to the same obligations, duties and liabilities; whereas the Canadian Multiculturalism Act establishes a multicultural policy for Canada, including the requirement that all federal departments and institutions implement this policy; whereas multiculturalism is for all Canadians and is a fundamental characteristic of Canada based on the recognition of the diversity and the equality of Canadians as regards race, national or ethnic origin, colour and religion while recognizing two official languages. Multiculturalism is a government policy commitment designed to preserve and enhance the multicultural heritage of Canadians, to eliminate racism, and to achieve equality for all Canadians.

The Acting Speaker (Mrs. Champagne): I do apologize, but I must interrupt the hon member. Of course she will be able to continue after Question Period.

It being eleven o'clock, pursuant to Standing Order 35, the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

EXTERNAL AFFAIRS

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I rise today to address an issue that I am sure is of concern to many members. As the Soviet Union evolves under Mikhail Gorbachev's *glasnost* a resurgence of anti-Semitism is reaching a dangerous level. The rise of nationalist movements such as *Pamyat* are of great concern to those of us who are interested in seeing a transition of the U.S.S.R. into a prosperous and tolerant member of the international community.

I would like to express my profound concern for the safety of the Jewish people in the Soviet Union. I urge the Government of Canada to communicate to the Government of the U.S.S.R. to allow those individuals who wish to leave the Soviet Union the opportunity to do so. It is also time that Canada act in a manner consistent with its image as a caring and thoughtful nation.

I urge the Minister of Employment and Immigration and the Secretary of State for External Affairs to staff the Canadian embassy in Moscow with more immigration officers to facilitate the reunification of Jewish families with their relatives in Canada.

* * *

COURT CHALLENGES PROGRAM

Mr. Bruce Halliday (Oxford): Madam Speaker, I am pleased to note that the government has decided to renew the Court Challenges Program for another period of five years.

This program provides financial assistance for test cases of national significance put forward on behalf of or by disadvantaged groups and individuals. These cases serve to clarify the language and equality rights of Canadians under the Constitution. In renewing the program the Government of Canada has demonstrated

its commitment to the advancement of human rights in Canada.

I am pleased to see that the report of the Standing Committee on Human Rights and the Status of Disabled Persons on the Court Challenges Program has contributed to this positive action on the part of the government. The renewal of the program will be received very favourably by all the groups which appeared before the committee.

* * *

TOURISM

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, next week is National Tourism Awareness Week.

Tourism is Canada's fastest growing job creator and by the year 2000 will be the largest industry in the world.

Over 1.2 million Canadians are employed directly or indirectly in tourism at all levels of education and skills, which means that one out of every ten workers in Canada is employed in tourism, and 60,000 businesses generate all or most of their revenue directly from tourism.

Tourism brought $24 billion into the Canadian economy in 1988 and ranked third among foreign exchange earners, surpassed only by the auto industry.

While this vital industry continues to be a leading economic factor, it is also an industry at risk. The goods and services tax will curtail its job growth rate, and our travel deficit continues to grow.

Canada competes world-wide for tourism dollars and marketing is the key. We must ensure that we fight aggressively to keep our share in this industry and to keep Canada competitive in the global tourism marketplace.

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[*Translation*]

NATIONAL HEALTH DAY

Mr. Jean-Marc Robitaille (Terrebonne): Madam Speaker, tomorrow we celebrate National Health Day. This year's theme, "health services, a resource for our community", was chosen to highlight the essential role health services play in society. Service to the community and financial responsibility are the cornerstones of this vast multifaceted public system that has been established over the years to meet the growing and very diverse needs of Canadians.

I therefore invite all Canadians to join in the activities of this special day that gives us an opportunity to recognize the skills and devotion of thousands of professionals and volunteers who work in the health field and provide the high-quality care that we all enjoy in Canada.

On behalf of the federal government, I wish to thank very sincerely the Canadian Public Health Association and the Canadian Hospital Association, the two organizations that have sponsored National Health Day for several years now.

* * *

GOODS AND SERVICES TAX

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, in spite of all the constructive efforts of Liberal members to make the Conservatives understand that Canadians do not want the GST the government has gone ahead and adopted this regressive and repugnant measure, over of the objections of the Opposition.

Well, Madam Speaker, the fight is not over. Tomorrow, bolstered by thousands of fellow Canadians, Liberal members will rally on Parliament Hill in yet one more attempt to convince the Conservatives that they must immediately drop the GST bill.

Tomorrow, May 12, at noon, Canadians will gather here on Parliament Hill and, given the unpopularity of the Conservatives, we will try again—

The Acting Speaker (Mrs. Champagne): The time of the hon. member has expired.

* * *

[*English*]

CANADA HEALTH DAY

Mr. Bob Horner (Mississauga West): Madam Speaker, tomorrow we are celebrating Canada Health Day throughout the country.

This year's theme "Health Services: Our Community Resource" was chosen in recognition of the significant role played by health services in communities throughout Canada. Health services, which are supported by public funds, respond directly to community health needs. Community service and fiscal responsibility are

the cornerstones of these important community resources.

I invite all Canadians to join in recognizing the skills and dedication of the thousands of voluntary and professional health care workers who contribute to the high quality of health services that we enjoy in Canada.

On behalf of the federal government, I would like to thank the Canadian Hospital Association and the Canadian Public Health Association for taking the initiative to sponsor Canada Health Day.

* * *

JOB TRAINING

Mr. Jim Karpoff (Surrey North): Madam Speaker, the Tory government is punishing unemployed workers for attempting to upgrade their job skills by undertaking training programs under Section 26 of the Unemployment Insurance Act.

As of April, 4,000 British Columbians, including people taking training for nursing, child care, computer programming and forest resource workers, have had their UIC discontinued. These include students who are paying their own fees. The government can provide training assistance under existing UIC legislation. There is no need to punish these people because Bill C-21 has not been passed by the Senate.

I call upon the government to restore the training allowance immediately to these 4,000 deserving British Columbians.

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[*Translation*]

NATIONAL FORESTRY WEEK

Mr. Michel Champagne (Parliamentary Secretary to Minister of State (Forestry)): In a few hours, Madam Speaker, we will be witnessing the closing activities of our National Forestry Week.

The purpose of this annual event is to make all Canadians aware of the importance of our forests. They are the income source of 800,000 Canadians and their economic impact is undeniable.

However it has become imperative to stress further the environmental impact of this precious resource. Fortunately, Canadians are ever more conscious of this issue and their positive attitude augurs well for the years to come.

Let us make sure that National Forestry Week is not an event which people forget the minute it is over. Each of us must see to it that showing respect for trees and nature becomes part of our daily activities.

They are our forests, let us look after them.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. Mac Harb (Ottawa Centre): Madam Speaker, the Canadian Union of Public Employees, Canada's largest union, will be seeking wage increases of at least 8 per cent to 9 per cent to protect workers from the GST.

According to CUPE, these increases include a 3 per cent hike to cover the impact of the GST and another 5 per cent to 6 per cent to allow for inflation.

The government has been working under the assumption that the employees will not seek or will not ask for higher wages as a result of the GST.

Obviously the government's assumption that there will only be a 1.25 per cent inflation increase has flown out of the window. As a result of the GST, for at least another two years, inflation will be higher, interest rates will be higher, and the deficit will continue to increase.

Once again, Canadians will be gathering on Parliament Hill tomorrow at noon to oppose this tax. What is it going to take for this government to put a moratorium on this tax? It takes leadership. Where is it?

* * *

• (1110)

GOODS AND SERVICES TAX

Mr. Garth Turner (Halton—Peel): Madam Speaker, Canadians do not want higher prices in the stores. Canadians do not want higher interest rates in the future. Canadians want assurances that we are going to have a stable economy next year, particularly when the goods and services tax comes in.

Right now the consumer and corporate affairs committee is holding hearings into exactly how we might be able to achieve this, but at the same time a major labour leader is telling Canadians he is going to use the GST as an excuse for major wage demands.

In today's press, the leader of the Canadian Union of Public Employees, Jeff Rose, stated:

> We are telling our 377,000 members across the country to factor in a 3 per cent hike for the impact of GST and another 5 to 6 per cent for—inflation.

This is irresponsible on the part of the union. This is exactly what we do not need. This is the kind of fabricated demand which will lead to higher inflation, higher interest rates, higher prices for consumers, and an economy in trouble.

Responsible Canadians call upon our major labour leaders to be responsible and not put their own interests before those of Canada.

* * *

ANTI-SEMITISM

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, this morning we awoke to the shocking news and nauseating view of the desecration of a mainly Jewish cemetery in the south of France. This kind of deplorable act, possibly by fringe lunatics or fanatics, is not an isolated incident; it has occurred in my own community in Montreal. People of good will do not accept such acts of racism. When racism raises its ugly head, we all have to fight it. It calls for the world to speak up.

And how sad is the irony in this expression of anti-Semitism the very week that world Jewish leaders went to Wansee Villa where officials of the Third Reich met 48 years ago outlining the policy of Nazi genocide. The Jewish leaders declared the forty-fifth anniversary of the defeat of Nazism as a victory for all mankind over this lowest point in man's inhumanity to man.

Leaders of good will around the world should never remain silent in the face of malevolent acts of racism wherever and whenever they occur, for to do so can be mistaken for indifference.

Most Canadians reject the desecration of consecrated land and even in the most challenging of times still share a belief in tolerance, understanding, and respect for basic human rights.

S. O. 31

STANDING COMMITTEES

Mr. Rod Murphy (Churchill): Madam Speaker, just a few minutes ago we heard the chair of the Standing Committee on Consumer and Corporate Affairs and Government Operations attacking the Canadian Union of Public Employees.

It is interesting to note what kind of justice that union can expect to receive from a chair who has attacked it publicly at this time. It throws into question the whole role of the chairs of our standing committees. Obviously the chair of the Standing Committee on Consumer and Corporate Affairs and Government Orders is acting as a spokesman for government policy and is not acting in the interests of all members of Parliament.

In addition, we heard a Liberal member speak in favour of the Canadian Union of Public Employees. However, it was the Liberals who supported the Conservatives in the standing committee, summoning the Canadian Union of Public Employees before that committee and the Canadian Labour Congress.

It is interesting to note that those same groups were denied the opportunity to speak in front of the finance committee in opposition to the GST, another committee—

The Acting Speaker (Mrs. Champagne): I am sorry, the hon. member's time has expired.

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CANADIAN CYSTIC FIBROSIS FOUNDATION

Ms. Barbara Greene (Don Valley North): Madam Speaker, for the Canadian Cystic Fibrosis Foundation, 1989 was a year to remember. The discovery of the gene responsible for cystic fibrosis, a genetic disease which affects the lungs and digestive system of young people, was announced by researchers at the Hospital for Sick Children in Toronto. Thanks to these remarkable accomplishments, we can all look ahead with hope and promise.

As a result of the breakthrough, it is hoped that the goal of finding a cure, or effective control, will be achieved much more quickly than was thought possible only a short time ago.

Since this is cystic fibrosis month, it seems appropriate that we reflect on these recent achievements and also salute the Canadian Cystic Fibrosis Foundation, its many volunteers and financial donors who make it possible for

the foundation to contribute approximately $3 million to $4 million annually toward cystic fibrosis research, in addition to supporting clinics for patients and providing information and public education programs.

Congratulations to the Canadian Cystic Fibrosis Foundation.

* * *

GOODS AND SERVICES TAX

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, my office has been deluged this week with phone calls from Public Service employees wondering whether they are allowed to participate in a rally on Parliament Hill tomorrow against the goods and services tax.

They are concerned that their jobs may be in jeopardy if they turn up here at noon tomorrow, Saturday, May 12, on Parliament Hill, to tell the government what they think of the goods and services tax.

This symbol of freedom and democracy, this place where the people speak, is already under a shadow, a shadow of excessive use of closure, ignoring the petitions of hundreds of thousands of Canadians, and the arrest of people who come here to speak their mind.

I am telling people that not even this government would dare fire or discipline somebody just for saying what they think about something that is going to affect them and their families every day of their lives.

I urge them to come here tomorrow, Saturday, May 12, at noon on Parliament Hill and let the government know what they think about the GST.

ORAL QUESTION PERIOD

[*English*]

TREASURY BOARD

Hon. Herb Gray (Leader of the Opposition): Madam Speaker, my question is for the Deputy Prime Minister.

Today, we learned that the top five executives at Canadian National Railways, which is owned by and accountable to the government, last year received wage increases averaging over 18 per cent.

This is the same government that is asking ordinary Canadian workers to bite the bullet on wage increases to help fight inflation.

How can the government be taken seriously when it asks Canadians to exercise wage restraint when top executives of its own Crown corporations are receiving wage increases in excess of 18 per cent? How can the government be taken seriously on this in any way, shape or form?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, I would like to clarify for my hon. colleague opposite that the facts that were reported in the story talk about cash compensation. It is not a question of salary. There are bonuses included in here and it is quite confusing.

When I read the article, I have to underline to my hon. colleague that those bonuses for 1988 have been mixed with the 1989 salary levels. In 1988, CN had its best year ever and that is why those increases are there.

Hon. Herb Gray (Leader of the Opposition): Madam Speaker, the minister's answer is totally unsatisfactory. The executives still got the money. Call it cash, call it compensation, they got the money. How can the government possibly defend these massive increases in the salaries of CN executives when, at the same time, in the same period, ordinary workers at CN got increases of only 4.5 per cent?

Will the government order an immediate salary roll-back for these executives, a roll-back to the same rate that it expects Canadians to live with? Will it roll-back these salaries? Yes, or no?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, I would like to tell my hon. colleague how these compensation numbers are arrived at.

Under the former government, an independent commission was set up to report so that salaries for Governor in Council appointees would be set in an independent way from government. That is the Burns Commission. The Burns Commission is the one that makes the

recommendation both for the salary ranges and for the bonuses to be paid when performance exceeds what has been predicted.

We are following the rules set out by that independent commission that I mentioned. It was initially set up well before this government took power.

Hon. Herb Gray (Leader of the Opposition): Madam Speaker, there is an important difference. At the present time, the government is asking ordinary Canadian workers, not to do anything to compensate for the goods and services tax and to hold back their wages so that they will not be adding to inflation. It is a matter of do as I say, not as I do, when it comes to this government.

[*Translation*]

Madam Speaker, the government keeps repeating that Canadians must tighten their belts but supports massive salary increases for CN's top executives.

Why are the top brass of Crown corporations like Canadian National getting salary increases that, on average, are four times those given their employees and four times the rate of inflation? Will the government immediately demand that CN's top executives make do with salary increases that are in line with those of their own employees, yes or no?

• (1120)

[*English*]

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, I would like to remind my hon. colleague first of all that we are very conscious of these salary adjustments. We have looked very closely at the performance in that area.

Average actual increases for senior public servants, including deputy ministers, Governor in Council appointees to federal agencies, board and commissions were limited to 4 per cent in 1988, and 4.2 per cent in 1989. That is very much in line with what we have given to the unions throughout the system.

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[*Translation*]

GOODS AND SERVICES TAX

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, my question is directed to the Miniser of Finance. The GST is not yet in effect, but the Minister of Finance is already talking about raising the rate. Yesterday, he said he had at least a hundred good reasons for raising the rate of this new tax. In fact, the minister raised the manufacturer's sales tax four times: from 9 to 13.5 per cent. Here is my question.

Could the minister be very specific and inform the House today what the GST rate will be in 1992 and 1993? If he cannot, will he make a commitment today not to increase the GST?

[*English*]

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I think the hon. member is referring to a quote that came out of a press scrum yesterday. I answered that question in the context of what had been done with other countries.

Of the other countries that have a value-added tax, a GST type of tax, about 18 or 19 have made practically no change in the tax. Other countries have made a change in the tax by raising their GST, the value-added tax rate at the same time that they brought down income tax rates. New Zealand is a good example of one of those countries. The United Kingdom is another example. Other countries have raised their tax to finance additional spending.

The only point that I am making, and I will make it again to the hon. member, is that different countries will treat this in a different way. The underlying point that I made in Canada was that any government, regardless of political stripe, will have to justify very carefully any change in the GST rate from 7 per cent.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, the minister also said yesterday that if workers demand wage increases to compensate for the GST, there will be an increase in interest rates. This is my question.

What happened to the 11.1 per cent interest rate in the minister's last Budget? Today, even without the GST, the Bank of Canada rate is at 13.75 per cent. When will the minister finally realize that his economic policies are a total disaster for this country?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I need only refer to a column that is in *The Globe and Mail* this morning by Ted Carmichael who indicates very clearly that the GST is a good policy for

Canada and is the answer to a lot of problems that we are facing today.

I have just come back from Washington where I attended the meetings of the International Monetary Fund. The International Monetary Fund is very supportive of the introduction of the GST.

The Organization for Economic Co-operation and Development, the OECD in Paris, also indicates the significance of this tax in improving our competitive position.

If the hon. member is asking why we should change the existing tax, I say that the reason is because it will improve our ability to export into other markets. It will also change a situation where Canadian producers are paying about a third more sales tax than the imports they compete with.

The more obvious question is, why is the hon. member supporting no change in the policy? Why is he supporting the maintenance of a tax that is going to undermine our competitive position, undermine our ability to sell products in other markets, undermine our ability to create jobs in this country, and undermine our ability to get the deficit down? Those are the questions that he should be answering.

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TREASURY BOARD

Mr. Rod Murphy (Churchill): Madam Speaker, my question is for the Minister of Finance. It is interesting that the Leader of the Liberal Party attacked the government for having the workers at CN receive only wage increases of 4 per cent while the senior executives averaged pay increases of over 18 per cent, because the Liberals voted for that back-to-work legislation on August 27, 1987.

The Minister of Finance has allowed extremely high increases for Mr. Crow. He is allowing very high increases for CN. The Conservatives have attacked workers for trying to make up for the increase in the GST.

What justice is there in this country when the corporate elite are receiving pay increases of 18 per cent, 39 per cent, 40 per cent and workers are not allowed to fight for the increase in the cost-of-living?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, I can only repeat my earlier answer. The wage increases for deputy ministers and Governor in Council appointees, the senior management of our Crown corporations and the federal public service are exactly the same wage increases that the government has negotiated with our unions.

I will say once again that these salaries were limited to a 4 per cent increase in 1988 and a 4.2 per cent increase in 1989. So I think there is equity in the system and a demonstrable restraint on the part of government in terms of compensation.

Mr. Rod Murphy (Churchill): Mr. Speaker, when CN vice-presidents receive pay increases of 39 per cent, through cash bonuses or whatever other mechanisms, I would like to see the government negotiate those same increases with workers.

What is the government's economic policy for all employees? Are the rich going to get richer and richer and richer, whereas employees cannot fight the GST? Is that the policy of this government?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, perhaps the hon. member has not understood my answers so far. The wage increases for senior public servants and GIC appointments are exactly the same as those that were given through collective bargaining to all the other employees. It was 4 per cent in 1988, 4.2 per cent in 1989 and that is comparable. I must say that in some groups that were collectively bargained the increases were higher. This is an average. It is an average, though, that applies to everybody.

Mr. Rod Murphy (Churchill): Madam Speaker, my question is again directed to the Minister of Finance, or the other minister who is getting up in his place. We do not care whether he says it is 3 per cent or 4 per cent on average. The reality is that some senior people, whether it is the Governor of the Bank of Canada or whether it is CN officials, are receiving 39 per cent more.

Answer the question: Where is the justice in this country? Where is any sense of economic management when you are deliberately giving vast increases to those at the top while telling those who work for a wage, which is all they receive, that they should not negotiate to compensate for the increase in the cost of living which is going to result from the GST coming into place?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, that is precisely the reason why the Burns commission was put into place, to have an independent body in the private sector to make recommendations as to compensation in the upper echelons of the federal public service.

We follow the recommendations of the Burns committee. It is a committee that has served this country well over the years. I believe that what they are doing is seeking equity and fairness in the compensation that we offer our senior executives.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, my question is directed to the President of the Treasury Board who has repeated several times that the government target for salaries for senior government employees is 4.5 per cent.

The president of CN and other senior executives who got an 18.7 per cent increase are also, as executives of Crown corporations, indirectly employees of the government of Canada.

• (1130)

Jeff Rose, the President of the Canadian Union of Public Employees which represents 377,000 Government of Canada employees, has now said that he is telling his membership to look for an 8 per cent to 9 per cent increase because of the effect of the GST.

Is the minister responsible for the Treasury Board prepared to stand in his place today and tell that president that the government will negotiate that 8 or 9 per cent? Or, will he stand in his place and say that in the current circumstances those salary increases of 18 per cent for CN executives and 28 per cent to 35 per cent for the Governor of the Bank of Canada are immoral, wrong, and an act of hypocrisy and will be turned around in the current climate?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, I would like to correct somewhat the premise of the question. I never talked about a 4.5 per cent target. I talked about what actually happened back in 1988 and 1989. The increase for that group of public servants and GIC appointments in 1988 was 4 per cent and, in 1989, it was 4.2 per cent.

Those are facts. They are not targets, they are not goals. Those are facts. They are well in line with the compensation generally offered to all employees of the federal government. That is what we are monitoring, with the help of independent commissions, to ensure that our employees are paid fairly and equitably throughout the system.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, my supplementary question is directed to the same minister. Surely the minister will understand that there are, among provincial governments, about 400,000 civil servants in the country. Among federal employees, there are another 250,000 civil servants in the country.

Three-quarters of a million civil servants are being told to forget the impact of the GST and to hold their wage increase expectations at about 4 per cent to 5 per cent, at a time when the minister and the government are doling out 18 per cent taxpayer-dollar-increases to senior executives of the CN and, the greatest act of hypocrisy, a 35 per cent increase to the Governor of the Bank of Canada who wants to fight inflation on everybody else's back but his own.

Will the government call in the board of directors of both the Bank of Canada and CN, and direct that those wage increases be rolled back to be consistent with what ordinary Canadians are expected to bear in this time of fighting inflation?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, my hon. colleague opposite talks about wage settlements in the provincial sector, in other government sectors, or in the private sector. We have no lessons to take from the group opposite. We have the best record of anybody in the country in exercising responsible wage management and negotiations. We have the lowest rate of wage increases in the public sector and, in comparison to the private sector, we have been doing very well indeed.

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PORTS CANADA

Mr. Ron MacDonald (Dartmouth): Madam Speaker, my question is directed to the Deputy Prime Minister and it concerns the unconscionable expenses of the patronage appointees to the board of directors of Ports Canada.

Documents recently obtained from the Department of Transport detailed an absolute orgy of arrogance and abuse, with some directors claiming as much as $35,000

over a period of three months on trips to conventions in Florida and high-priced wining and dining.

How can the minister possibly justify this blatant abuse of taxpayers' money at the very time the government is telling Canadians to tighten their belts and to do with less? How can he possibly justify that?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I am pleased to take the question on behalf of my colleague, the Minister of Transport, who is unable to be here today.

I am advised that the Canada Ports Corporation Board consists of 17 members who, in fact, live in all parts of the country and who are responsible for promoting the use of Canada's major ports. They need to travel extensively to attend board and other meetings and to perform that function of promoting Canada's ports.

Funding for their travel comes from funds provided from the revenues of Canada's major ports, which made a profit last year of $43 million.

Some hon. members: Hear, hear!

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I might as well direct my supplementary question to the President of the Treasury Board, because the Minister of Finance collects it and the President of the Treasury Board spends it.

In response to public outcry at these outrageous expenses, a member of the board said: "Ports Canada made between $50 million and $60 million in profits last year. Unlike other corporations, this one is successful. We can't nickel and dime ourselves."

Has the minister ordered an internal audit into the board's behaviour? In the interim, will the minister issue a set of guidelines to stop this blatant squandering of taxpayers' hard-earned dollars?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I am sure the hon. member would not expect me to make undertakings in the House on behalf of my colleague, the Minister of Transport, but I would be happy to convey to him the hon. member's opinion of these events and his sense of outrage.

GOODS AND SERVICES TAX

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, I must say that you would not know that the last people who put wage and price controls and wage freezes into effect in the country were the Liberals.

[*Translation*]

However, my question is directed to the Minister of Finance. Yesterday in Quebec, the minister said he had a hundred good reasons for raising the GST. Will the minister make a commitment now that he will not raise the GST? Yes or no?

[*English*]

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I find myself in the unusual position of being able to associate myself fully with the first part of the preamble to the hon. member's question where he expressed surprise at the feigned outrage of the Liberal Party on the matters that have been put before the House today.

On the question of the GST rate, I have responded to that in response to a member from the Liberal Party. That matter came up in the context of what other countries had done. I pointed out that other countries had raised the rate for a number of reasons. Some of them related to spending increases and some of them related to a completely offsetting reduction in their income tax rates. A number of countries, 18, I believe it is, have made practically no change in their value-added tax rates.

But the underlying point that I made in relation to Canada—and I want to stress this very strongly—is that no government in the future is going to be able to increase the rate on the GST without being able to lay before the Canadian people, in a very clear way, some substantive reasons to support any change in the rate. At this point, we have no intentions whatsoever of making any change in that rate.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, I thank the minister for being onside with my preliminary comments. I just wish that he had not voted with the Liberals in favour of the six and five program in the past.

The minister and the Bank of Canada have both been trying to sell Canadians on the GST, saying that the tax will have just a one-shot impact on inflation. Does the minister not realize that by refusing any guarantee

yesterday he destroys that argument? Does he not see that refusing a guarantee and refusing to say to Canadians that he will not raise the goods and services tax will lead to the very inflationary spiral that he says he wants to avoid?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, my hon. friend could contribute to ensuring that the GST rate does not go up in the future by supporting the government on the various proposals to control government spending that it has been making from time to time for the last number of years. Tax rates are related to government spending. If the New Democratic Party was at all concerned about the level of tax rates, it would not be so outrageously irresponsible in proposing increases in spending.

* * *

• (1140)

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my question is directed to the Minister of Finance. The minister will know that student tuition fees and student debt have been growing throughout Canada at an alarming rate.

Now that the minister has received representations from credible national organizations, such as the Canadian Teachers' Federation, the Canadian School Trustees' Council, the Canadian Federation of Students, and the Canadian Association of University Teachers, pointing out the extremely destructive effects of the goods and services tax on education, will he eliminate the education tax that he is about to impose?

Hon. Michael Wilson (Minister of Finance): Madam Speaker, there is no tax on education. There is no GST on educational services. That is a simple part of the legislation.

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I find it increasingly surprising that these credible national organizations disagree with the minister, but that is another question.

[*Translation*]

Madam Speaker, since the minister refuses to eliminate the GST on education, is he prepared to cancel the cuts in transfers to the provinces for education, the same cuts he and the Prime Minister refused to touch? Will he cancel these cuts?

[*English*]

Hon. Michael Wilson (Minister of Finance): Madam Speaker, I find it very hard to confirm for the hon. member that I will remove a tax that has not been applied. Can he tell me where the tax is applied on educational services—

Some hon. members: On books.

Mr. Wilson (Etobicoke Centre): —and then we can talk about it. But educational services are not subject to the goods and services tax.

The hon. member has made reference to the transfer payments that we make to the provinces. The transfer payments to the provinces will increase in this coming year in total by 3 per cent. That is exactly the same rate of increase for the total program spending for the Government of Canada. So, we are not asking the provinces to do anything more than what we are prepared to do ourselves.

I would also say that the impact of the changes in the transfer payments to the provinces that were announced in the last budget amounts to less than 1 per cent of their total revenues in year one and a little over 1 per cent in year two. Surely, in the interest of meeting the broad national objective of getting the deficit down, the provinces can adjust to that small amount of reduction in their expected growth of their revenues.

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RAILWAY SAFETY

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, my question is for the beleaguered Minister of Transport. I do not know who will answer on the other side today.

The government's blind drive to deregulate the transportation industry has created problems. A Canadian Press story this week indicates that CN's sloppy inspections permitted a rail car full of dangerous acid to travel from Sarnia to Montreal, not once, but twice. Thousands of Canadians were put at risk, including residents of Kingston, Brockville and Cornwall, to name but a few.

What has the minister done to halt these breaches of the regulations?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I will have to take the question as notice on behalf of the hon. Minister of Transport.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, the National Transportation Agency decried CN's inspections and called for a study of railway freight safety across Canada.

Since this recommendation came from an agency headed by his former colleague, the hon. Erik Nielsen, will the Minister of Transport act now to protect Canadians from the foolhardy policies that the government insists on pursuing?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, God forbid that, by taking a question as notice, I should prevent the hon. member from having the full benefit of his supplementary. I can assure him that the goals that he suggested are the first priority of this government and I will be pleased to communicate his concerns to my colleague, the Minister of Transport.

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ABORTION

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, my question is for the Minister of Justice. Seventeen constitutional legal experts from law schools across the country have clearly pointed out that the minister's legal justification for the abortion bill is seriously flawed. They have called it legal nonsense and they say the bill creates no entitlement whatsoever to abortion in the country.

Will the minister take the advice of the majority of legal experts in this country on the constitutionality and the appropriateness of this criminal legislation, and will she withdraw Bill C-43?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, Bill C-43 is before the House. I have no intention of withdrawing it. I would be very pleased to take issue with the report of the legal opinions which was in *The Globe and Mail* earlier this week. Perhaps the hon. member would like to refer herself to my comments before the Standing Committee on Justice and the Solicitor General yesterday where I did so.

Ms. Dawn Black (New Westminster—Burnaby): Madam Speaker, these constitutional legal scholars have sent these opinions to the minister. They are from Osgoode Hall, McGill, Western, UBC, the University of Ottawa and the University of Victoria, and they are all telling the minister, in very strong terms, that she is wrong with this legislation. Will she at least refer Bill C-43 to the Supreme Court of Canada?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, with respect, the opinions that were proffered—and I have only seen the report in the newspaper about them—did not relate to the constitutionality of this bill at all. According to the newspaper report, they related to the interpretation that I made of their effect with respect to the possibility of provinces to legislate.

I would also point out that the article in *The Globe and Mail* indicated that one of the opinions solicited happened, in fact, to agree with me. I am not aware of the circumstances under which the opinions were solicited or how the question was framed.

I would also point out that the chairman of the Law Reform Commission of Canada agreed with my interpretation of the effect of the law.

One of the delightful things about being a lawyer is that there is an unlimited number of legal opinions that one can put forward. All statements with respect to the future impact of Bill C-43—and I reiterate again that the issue was not its constitutionality but its impact on the scope of legislation that would then be permitted to the provinces—are, by definition or their very essence, speculative because they will not be resolved until the matter goes before the courts.

I would conclude by saying that in one of the paragraphs of the article—and I am sorry I do not have the clipping with me—it states that the legal academics agree that provincial legislation will be struck down where it is found to be in conflict with the federal law or intended to subvert the intent of a federal criminal law. That was, in fact, the essence of my view and I stand by it.

* * *

PACKAGING AND LABELLING

Mrs. Beryl Gaffney (Nepean): Madam Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. Canadian manufacturers at the retail

level are required to comply with the labelling and packaging act to provide bilingual and metric packaging. Yet American firms are accessing the Canadian market with labels in English only and without metric.

Canadian companies are caught in an unfair situation which will only worsen under free trade and the removal of tariffs. Why will this government not protect Canadian manufacturers from importers who are not complying with the Canadian law?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, indeed people have complained several times that imports were treated differently. I must say that since then, with my colleague, the Minister of National Revenue, we have set up teams to ensure that these products from abroad comply with Canadian laws. We are improving the situation, but our market is increasingly global. Things like that can happen. But I can assure you that since the manufacturers' association and the retailers' association communicated with us, we have taken measures at the border with my colleague, the Minister of National Revenue, to deal with the situation, which has improved since then, Madam Speaker.

[*English*]

Mrs. Beryl Gaffney (Nepean): Madam Speaker, the minister should know that in a letter of April 17 the national organizations which are in place to protect the Canadian retailers are saying it is not working. The minister should know that customs officers do not go around opening boxes at the border to look at the packaging and labelling on the products. They only check to make sure the proper papers are filled out.

Canadian manufacturers are fed up with spending money to conform with the act while their American counterparts are ignoring it. Is it not time this law was enforced? Is it not time that this government stood up for Canada instead of the United States?

• (1150)

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, I clearly stated a moment ago that obviously, in a situation like this, where Canada wants to increase foreign trade and open its borders so that our own people, our own manufacturers can sell abroad, such situations can at times occur when products enter our country. But we must not set up new non-tariff barriers and start harassing people at the border again. We must ensure that the law and regulations are clearly enforced. We have an interdepartmental committee that worked on it. My colleague, the Minister of National Revenue, and officials from my own department met the manufacturers and retailers to explain the situation to them. We are taking the required action at the border. We enforce the law every day. But you must understand that we are in a free market, where borders are losing their significance all the time. That must be understood, Madam Speaker. We have no choice.

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[*English*]

GOVERNMENT CONTRACTS

Hon. Bob Kaplan (York Centre): Madam Speaker, my question is for the Deputy Prime Minister. Since the charges were laid against Michel Gravel, and up until today, the government has stonewalled on important and proper questions relating to the way this government does business.

It is now settled that Gravel took the money but the government has covered up on two serious questions, what Gravel did for the money and what Gravel did with the money. This week this cover-up has come unstuck. Is the government now prepared to answer these two questions?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the Solicitor General responded to a question similar to that yesterday. The hon. member knows that normal processes will be followed. The RCMP has indicated that it would be looking into these statements.

In terms of the broader area, the contracting procedures are clearly established. There are Treasury Board guidelines. These issues are examined on an annual basis by the Auditor General. There are the respective standing committees. There are the checks and balances.

If the hon. member has anything specific in mind, perhaps he should come clean and say what he has on his mind.

Hon. Bob Kaplan (York Centre): Madam Speaker, I will say what I have on my mind. Is it the position of the government that the only way we will find out what Gravel did for and with the money is if it involves criminal activity?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, the hon. member is making a lot of assumptions and that is why it is very difficult and very inappropriate for me to make any comment. The RCMP is investigating this matter. Why would the hon. member want to interfere with the process of the RCMP investigation?

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HOUSING

Mr. Jim Karpoff (Surrey North): Madam Speaker, my question is for the Minister of State for Housing. A week ago I asked the minister whether he had made representations to the Minister of Finance concerning the devastating impact of high interest rates on housing construction. Since then, additional information has come forward showing a sharp decline in construction and a further reduction in the application for building permits.

Why is the minister sacrificing the residential construction industry and home buyers? Why is he content to let the industry twist in the wind?

Hon. Alan Redway (Minister of State (Housing)): Madam Speaker, quite clearly housing starts are down but they are down to levels which are still 50 per cent higher than when this government took office in 1984. They are still at a very substantial level, just under 200,000 a year. That certainly is anything but the devastating picture that the hon. member is trying to paint.

Quite frankly, there is no question that housing starts have levelled off, but they are certainly still well above figures from the past and 50 per cent above the figures when the government took office.

Mr. Jim Karpoff (Surrey North): Madam Speaker, the minister knows very well that once the housing industry shuts down it takes another year to get it started again.

Yesterday in the finance committee I put a question to Mr. Crow concerning the impact of high interest rates on housing. In his answer it became evident that the government fully intends to continue with its high interest rate policy.

In view of that, what plans has the minister of housing for preventing a complete collapse of the residential construction industry and therefore a shortage of housing?

Hon. Alan Redway (Minister of State (Housing)): Madam Speaker, certainly there is no indication of a complete collapse of the residential housing industry in any way, shape or form. In the last few years there have been some very high prices and very hot markets in housing across the country. The hon. member has been indicating that he feels we should be doing something to control those prices and to keep housing affordable.

It is interesting to note that in the *Financial Post* today, Frank Clayton, the president of Clayton Research Associates, who is very well known in real estate economic circles, has said that housing prices got so out of whack compared to income that this situation now is a very welcome development for a great many people.

* * *

GOVERNMENT CONTRACTS

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is directed to the Deputy Prime Minister and also concerns the Gravel affair.

We have had many police inquiries into this issue. We have had charges laid and we have had a conviction in the case of Mr. Gravel. We have had convictions in the Brodilaf affair in Drummondville, yet the evidence has never come out.

Why will the Deputy Prime Minister not consent now to a full royal commission of inquiry into the contracting procedures of the government between 1984 and 1988 as I have been asking for in this House for the last four years?

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, if the hon. member has a charge or an allegation which he can substantiate, why does he not come clean and lay it on the table with the appropriate consequences?

I indicated to the hon. member that the contracting procedures are clearly established. Treasury Board guidelines are clearly established. These things are examined by the Auditor General. Parliamentarians have the opportunity to examine all of this through the respective committees.

Why does the hon. member not do his homework and expose whatever he has before a parliamentary committee? He has that source available to him. Why does he not go to work on it, rather than sling the kind of innuendo that he is suggesting here in the House?

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, with respect, it is not a matter of my making charges. People have entered pleas of guilt and have been convicted. That is not the issue.

[*Translation*]

I should like to direct my supplementary to the Deputy Prime Minister. Earlier he told my colleague from York Centre that the RCMP are investigating this case.

Yesterday outside the House of Commons the Solicitor General indicated that the RCMP are checking the evidence to see whether an investigation is warranted. Yes or no, is there an investigation? Is this not proof that the minister himself blames others instead of doing his job?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Madam Speaker, why does the hon. member not let the RCMP do its work? As the Solicitor General indicated to the House yesterday, they are checking into this matter and they will obviously take whatever action is necessary. Why does the hon. member insist on interfering with the process of the RCMP?

The Acting Speaker (Mrs. Champagne): There will be a single question by the hon. member for Carleton—Gloucester and a single question by the hon. member for Okanagan—Shuswap.

[*Translation*]

BILINGUAL LABELLING OF CONSUMER PRODUCTS

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, I should like to direct my question to the Minister of Consumer and Corporate Affairs.

For at least two years now, Consumer and Corporate Affairs officials have been dragging their feet about the labelling issue. Canada does have labelling legislation to ensure that labels are in both languages, English and French. They must also indicate the contents of products for sale.

We are importing ever more products from the United States, Madam Speaker—

The Acting Speaker (Mrs. Champagne): Would the hon. member put his question, please.

Mr. Bellemare: I want to know what the minister intends to do in the immediate future about labelling and the labelling legislation which is being ignored by Americans who have been marketing their products in Canada for some time now.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Madam Speaker, I have somewhat already replied to this question earlier. We should not overlook the fact that Canadians are above all the retailers involved in the distribution of these goods in Canada.

As I said earlier to your colleague, my predecessor met last fall with the people involved in the retailing business. It is not easy in a country where there is such a free movement of goods from coast to coast, across the borders, and even from Europe and Asia, to stop each and every item when entering Canada.

We have met whit the presidents and CEOs of the various organizations involved in the distribution of goods and we have informed them of the Canadian legislation and regulations. Together with my colleague the Minister of National Revenue, we have reinforced these measures and I can tell you that we have already seen an improvement in the situation since last fall and we will keep up our improve it further.

That is what I can tell my hon. friend and I think that people in the end will benefit from these measures.

• (1200)

[*English*]

CANADIAN NATIONAL RAILWAYS

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, my question is to the Minister of Finance.

While the Minister of Finance argues for wage and price restraint to combat inflation, we find that the top five executives of Canada's Crown owned Canadian National received wage increases of 19 per cent last year.

CN President, Ron Lawless, got the smallest increase of $41,000. That is an entire year's salary for an ordinary Canadian. My question to the minister is: How can the minister justify these outrageous, fat-cat salary increases for the corporate executives of CN while, at the same time, getting ready to kick ordinary Canadians in the teeth both with the GST and with the possibility of wage and price controls?

Hon. Robert de Cotret (President of the Treasury Board): Madam Speaker, I believe I answered that same question about five times today.

I would like to repeat briefly for my hon. colleague who wants to have a specific answer that, in terms of the top management of the Public Service and the Crown corporations—the Deputy Ministers and the GIC appointments—wage increases for 1988 were 4 per cent, and for 1989 were 4.2, well in line with wage increases in the Public Service of Canada.

ROUTINE PROCEEDINGS

[*English*]

DEPARTMENT OF JUSTICE

TABLING OF ANNUAL REPORT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I am pleased to table, in both official languages, the annual report of the Department of Justice for the year 1988-89.

[*Translation*]

LAW REFORM COMMISSION OF CANADA

TABLING OF ANNUAL REPORT

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I am pleased to table, in both official languages, the annual report of the Law Reform Commission of Canada for 1988-89.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Barry Moore (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): 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 numbered as follows: 342-5928, 342-5932, 342-5937, 342-5958 and 342-5968.

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

* * *

[*English*]

STRIKING

FORTIETH REPORT OF STANDING COMMITTEE

Mr. Jim Hawkes (Calgary West): Madam Speaker, I have the honour to present the fortieth report of the Striking Committee.

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

* * *

[*Translation*]

CANADIAN CENTRE FOR MANAGEMENT DEVELOPMENT ACT

PRESENTATION OF REPORT OF LEGISLATIVE COMMITTEE

Mr. Barry Moore (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Madam Speaker, I have the honour to present, in both official languages, the report of the Legislative Committee on Bill C-34, an Act to establish the Canadian Centre for Management Development and to amend certain Acts in consequence thereof, with amendments.

INCOME TAX ACT

PRESENTATION OF REPORT OF LEGISLATIVE COMMITTEE

Mr. Gaby Larrivée (Joliette): Madam Speaker, on behalf of the Chairman, I have the honour to present, in both official languages, the report of the Legislative Committee on Bill C-51, an Act to amend the Income Tax Act, without amendment.

[*Editor's Note: See today's Votes and Proceedings for the above-mentioned reports.*]

* * *

[*English*]

PETITIONS

VETERANS AFFAIRS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I have the honour today, pursuant to Standing Order 36, to table a petition certified correct as to form and content for members and friends of Branch 128 of the Royal Canadian Legion in Sydney.

In part it states that the government of Canada has introduced changes that will reduce homekeeping services to veterans and substantially increase the costs of long-term care, and whereas the veterans have already given service to this country and should not be targeted by these measures, the petitioners call upon Parliament to reject those budget measures that deprive veterans of proper services and increase their financial hardship.

GOODS AND SERVICES TAX

Hon. Warren Allmand (Notre-Dame-de-Grâce): Madam Speaker, I have petitions signed by hundreds of individuals in the constituency of Notre-Dame-de-Grâce who strongly oppose the goods and services tax which they say is an unprecedented tax grab from the pockets of Canadians and will hit them not only with higher taxes but with higher inflation, higher interest rates and higher unemployment and they humbly pray and call upon Parliament to reject the proposed goods and service tax.

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, under Standing Order 36 it is my honour and duty to present a petition signed by a number of Canadians in Toronto, Thornhill, Oakville, Huntsville, Willowdale, Minden, Bramalea, Scarborough and other places, including Vancouver, who are asking Parliament to join with the Assembly of First Nations and the Innu of Labrador to stop the use of their lands for NATO-NORAD attack training, to demand that the low-level flight training for NATO and NORAD in Canada cease, and to oppose the establishment of NATO operations in Canada, including the proposed tactical fighter and weapons training centre at Goose Bay.

They ask that Parliament redirect Canada's NATO-NORAD funding toward enabling Canada's aboriginal people to regain control of their lands and their livelihood and toward promoting sustainable development for all Canadians.

GOODS AND SERVICES TAX

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I actually have three sets of petitions here, all dealing with the goods and services tax. The first highlights the bad or poor planning by the government. They oppose it as an unprecedented tax grab from the pockets of Canadians which will hit them not only with higher taxes but with higher inflation, higher interest rates, and higher unemployment. They call on the government to reject this tax. I have hundreds of signatures in that regard.

The second group of petitions I have, again with respect to the goods and services tax, come from the occupational therapists, the physiotherapists, the social service workers, the speech language pathologists and ideologists who feel that it is unconscionable to put a health care services tax, in the form of a goods and services tax, anywhere in public institutions or in the private sector in those areas.

The third set I have relates to the industry of books, magazines, and newspapers. The fact is that for over 120 years it has been the cornerstone of our democracy, culture, education and literature and has been not taxed. They reaffirm the historic principles embodied in a free tax status for printed word and ask the government to please ensure that it retains the zero rate in the GST legislation for these regulations.

Last is a call to a large gathering here on the Hill this Saturday at noon. Please bring your concerns to the attention of this government. Hopefully it will listen.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I have in my hand a petition signed by Canadians who are calling on the government to scrap the goods and services tax and are calling all other Canadians to join them in a rally on Parliament Hill tomorrow at noon to protest the goods and services tax.

• (1210)

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, I have the honour to present this petition on behalf of Canadians who are concerned about the goods and services tax, particularly the high unemployment, higher prices and higher interest rates which will be created according to the government's own documents. The petitioners, of course, can voice their concern here on the Hill tomorrow afternoon against this terrible tax.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, I have the pleasure to present several hundred signatures in opposition to the goods and services tax.

I think it is worth noting that these petitions come from Canadians in a variety of circumstances. A number of them are from seniors on low incomes, modest income tenants, very high income home owners, several dozen are from the riding of the Minister of Supply and Services, and a number of others are from small businesses.

It is my pleasure to remind all these people who filled in these petitions to come to Parliament Hill tomorrow at noon, Saturday, May 12, to protest.

Mr. Eugène Bellemare (Carleton—Gloucester): Madam Speaker, it is my pleasure to present a petition signed by a variety of people from different municipalities in the greater Ottawa area.

These people are resentful of being taxed to death and they want to give Parliament a message. They also ask Parliament to stop wasting our tax dollars and to reject the proposed goods and services tax.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I have the honour to present, on behalf of a number of residents in the Outaouais region, petitions that were circulated by residents. Your petitioners ask Canadian taxpayers to join them in a demonstration on the Hill tomorrow, at noon. They are fiercely opposed to the GST and ask that the bill be withdrawn.

[*English*]

Mr. David D. Stupich (Nanaimo—Cowichan): Madam Speaker, it is my honour to present a petition under Standing Order 36 certified correct as to form and content.

One hundred and twenty-five Canadians are expressing their opposition to the goods and services tax, calling upon the government to eliminate waste as a way of cutting back on the need to raise more money, and further inviting people to come to the rally on the Hill tomorrow at noon.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am pleased to rise to present a petition signed by numerous residents of Vancouver, New Westminster and Coquitlam, British Columbia.

These Canadians are opposed to the goods and services tax and have signed the petition and sent it to the right hon. member for Vancouver Quadra for presentation in this House.

I am pleased to present this petition calling for Parliament to reject the goods and services tax. I am sure if these Canadians could fly to Ottawa, they would want to be at the rally on Saturday to protest this tax on the lawn of Parliament Hill.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I, too, am pleased to rise to present a petition signed by people from Ottawa, Nepean, Aylmer, and some of the communities surrounding the Ottawa-Nepean area. These people are very concerned with the imposition of a goods and services tax. Their statement says that they are fed up with government waste eating up their tax dollar. These people will also be on the Hill at noon tomorrow where there will be a rally for people who oppose the goods and services tax.

I invite all my constituents of Nepean to join me. I will be here for sure.

WOMEN'S CENTRES

Mr. Rod Murphy (Churchill): Madam Speaker, first of all, I have heard the last number of petitions from the

Liberal caucus on the GST. I found it quite interesting, especially since the Liberal majority in the Senate allowed the GST to go through in principle at second reading just a week ago. I always find it curious how Liberals say one thing in one House and do the opposite where they have a majority in the other House.

My petition relates to the fact that the government has cut back core funding for the women's committees across this country. I believe that we not only need reinstatement of this money for this year, but we must have reinstatement for a number of years in the future. We call upon the government to provide long term guaranteed funding for these very necessary centres right across this country.

GOODS AND SERVICES TAX

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I have a petition from several Canadians asking that we cause the government to cease with the proposal which will shift the tax burden on to ordinary Canadians through a regressive consumption tax instead of through real tax reform, pointing out that now haircuts will be taxed, diapers will be taxed, heating fuels will be taxed, not to mention one of our most sacred things of all; reading.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Barry Moore (Parliamentary Secretary to Minister of State (Small Businesses and Tourism)): Madam Speaker, the following question will be answered today: No. 268.

[*Text*]

RESTRICTED FARM LOSSES

Question No. 268—**Mr. Funk:**

For each year from 1985 to 1988, did taxpayers who claimed farm losses against off-farm income have their farm losses restricted under section 31 of the Income Tax Act and, if so (a) what number (b) what was the average amount of reassessment (c) did any of them file objections to reassessments and, if so (i) what number (ii) what number were successful in having their farm losses allowed as a result (d) did any of them appeal their cases to the Tax Court and, if so (i) what number (ii) what number were successful in their appeal?

Routine Proceedings

Hon. Otto John Jelinek (Minister of National Revenue): (a) (b) For the taxation years 1985 to 1988, 393 taxpayers who claimed farm losses against off-farm income had their losses restricted under the provisions of section 31 of the Income Tax Act. The average amount of reassessment per year and number of returns reassessed were as follows;

	($)	# of returns (1)
1985	8,382	329
1986	15,513	200
1987	36,772	93
1988	265,248	17

(1) (many of the 393 taxpayers adjusted had more than 1 year reassessed)

* (c) Number of Objections Received:				256**
Results of Objection:	Allowed in full		78	
	Allowed in part		56	
	Withdrawn by Taxpayer		33	
	Late filed		14	
	Confirmed		131	312**
* (d) Appeals to the Tax Court				58**
Decisions of the Tax Court:				
Judgements:	Favour of the Taxpayer		10	
	Favour of the Minister		35	
	Allowed in part		3	48
Consent Judgements:				
	Favour of the Taxpayer		3	
	Allowed in part		9	12
Appeals Withdrawn by Taxpayer			5	
Appeals quashed			2	67**

* Statistics dealing with Objections & Appeals only cover the period January 1, 1989, to March 31, 1990, due to availability.

** The difference in the number of Objections and Appeals received and the number disposed of results from inventory on hand prior to January 1, 1989.

[*Translation*]

Mr. Moore: Madam Speaker, I would ask that the remaining questions be allowed to stand.

The Acting Speaker (Mrs. Champagne): The question mentioned by the parliamentary secretary has been answered. Shall the remaining questions stand?

[*English*]

Mr. Murphy: Madam Speaker, I rise on a point of order relating to Questions on the Order Paper.

On March 9, 1990 a question of mine was answered in part. It related to the business done with certain legal firms which had Conservative senators as members of those firms.

The nature of answers given in this House are very important. If I can read from the answer given on March 9, 1990, at page 9063 of *Hansard* it states that the Prime Minister's Office and the Privy Council Office did work with a law firm January 21, 1988. The amount of the bill for professional servies was $24,862.86. That was information given in this House.

Since then we have tried to get that particular bill through access to information, and we have been told in writing that the Prime Minister's Office and the Privy Council Office do not have those documents.

How can that information be given in the House of Commons, saying that these documents exist and that that is the amount of the billing, and at the same time or later on we can be told by the PCO that it does not have these documents?

I would like to have the parliamentary secretary look into that point. We understand the importance of Questions on the Order Paper. They must have accurate and the information we are given must be complete. The same applies to access to information. When we get two completely different answers, it is obviously something which concerns this House very much.

Mr. Moore: Madam Speaker, I will pass on the hon. member's remarks to the government House leader. We will return to him.

The Acting Speaker (Mrs. Champagne): Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

DEPARTMENT OF MULTICULTURALISM AND CITIZENSHIP ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Mulroney that Bill C–18, an act to establish the Department of Multiculturalism and Citizenship and to amend certain acts in relation thereto, be read the third time and passed.

The Acting Speaker (Mrs. Champagne): At eleven o'clock there were nine minutes remaining in the intervention of the hon. member for Vancouver East.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, as I was saying, the minister refused to add a preamble as a context for Bill C–18. He also refused our amendments, stating that the department and the minister are responsible for implementation of the multiculturalism act. The minister has the duty to work toward the elimination of racism and discrimination in all aspects of Canadian life.

In a later section referring to implementation of employment equity for minorities, a Liberal amendment to establish a commissioner of multiculturalism and our alternate proposal to monitor through the Human Rights Commission also were turned down. At report stage we tried again to include more limited amendments, and once again the minister refused them and offered no improvements himself. Ironically he brought in 100 Tories to vote down my simple definition of multiculturalism.

Because the government resisted any improvements to Bill C–18 and offered no improvements itself and because of budget cuts for funding of multicultural programs which have taken place over the last year, we can only conclude that the government is interested in token political gestures toward multiculturalism. A new Department of Multiculturalism and Citizenship will have no real clout to implement multicultural policy, and the minister will have no influence in cabinet or with other colleagues to influence necessary changes because there was nothing added to this bill to give it teeth and to give a clear mandate to the minister.

• (1220)

We were told by the minister that the new department will have no additional resources but merely will have present personnel transferred from the Department of Secretary of State. It will have responsibility for literacy and voluntary action as well as human rights, multiculturalism and citizenship, which is quite a tall order. Although there would be the cost of a new director and support staff, we wonder where this funding is coming from in as much as community groups have been cut back so drastically.

This refusal to improve Bill C-18 has been disappointing to us. It must have been even more disillusioning to persons who are working in front-line programs and as advocates for a strengthened multicultural policy in Canada.

Over the past year since this bill was introduced there have been severe cut-backs in funding to advocacy groups, a discontinuation of the citizen instruction and language training program, and a complete emasculation of heritage language programs which are basic to the transmission of culture. A federal funding total of $4.1 million was removed from these programs. These are programs that teach 60 different heritage languages to 140,000 in 850 community schools across Canada.

At the same time, ironically, the minister of trade was given $14 million to try to teach Pacific Rim languages to adults. Does this make any kind of sense? Does this show that the multicultural minister has clout to get money for languages? Indeed it does not, and it bodes very poorly for a future department.

However, I would like to commend the minister for one thing he has done. He has consistently stated that funds for race relations programs are his priority, and I agree. This is an urgent concern in Canada. I only wish that he would support existing groups that have this as their goal.

Why has he refused funding for advocacy groups and refused the request of 40 organizations for funding of a media watch project that was deliberately targeted to deal with racism, images and so on in the media, which is very important in this field? Why has he instead decided generously to fund a politically appointed advisory committee? Why has he very secretly, recently through his personal staff, set up a new hand-picked race relations network, which is competing with existing groups?

It was evident in the comments of the spokesman for the minister this morning that this government and this minister are threatened by advocacy groups who have in their mandate an obligation to try and work toward the improvement and the implementation of multicultural policy and the elimination of racism. They think that if they establish new groups, appoint their own political appointees, have complete control over what they say, and have everyone say "yes, yes, you have wonderful programs, to the minister", this is the way to go. This is no commitment to democracy. It is certainly not a sound way to operate a multiculturalism department. I do not know what the minister is afraid of.

The first annual report of the Multiculturalism Act which was tabled a couple of months ago is disappointing. It describes various multicultural programs quite adequately, but it does not really get at the meat of the operation of the Multiculturalism Act, which is to try to influence and change federal policies and the policies of federal departments and institutions, to promote greater equality, to promote the elimination of systemic discrimination, and to promote multiculturalism. This is the main goal of the Multicultural Act. There is nothing in that report that allows us to know what has been done between departments or with federal institutions, if anything at all has been done.

The minister of a new Department of Multiculturalism and Citizenship should be the lead minister to act as a catalyst to bring about institutional and attitudinal change in all our government systems. This is what we want. It is analogous to the role of the Minister responsible for the Status of Women whose job it is to monitor and promote sexual equality in all aspects that come under federal jurisdiction. This is the kind of thing that should have been spelled out in Bill C-18.

Several examples over the past year come to mind where the minister could have influenced public policy and institutional change in government. I do not think he took an active enough stand. The first was multiculturalism in the media. We had a number of incidents brought forward of concerns about stereotyping and the insensi-

tivity, particularly of the CBC *Crime Connection* program and *Disparaître* on Radio Canada.

Did the minister or his staff do anything constructive to get to these networks and to CRTC to make sure that we have a better way of monitoring and ensuring multiculturalism in the media?

The question of hatred propaganda. The minister spoke out against racist pins from Alberta, but he really did nothing to meet with ministers to bring in new legislation or tougher restrictions under the Criminal Code. I doubt if he talked to the Attorney General about the question of Sikhs and turbans in the RCMP.

The question of an advocacy role, a pro-active role by the minister in entrenching multiculturalism as a fundamental characteristic of Canada in our Constitution, is vital. The minister should have been out front and foremost to do something about this matter.

Also I referred to employment equity. The minister's own department is lacking in this regard since it has only one visible minority person in a senior position.

I would like to go on and on, Mr. Speaker, but you are telling me that my time is up. I wish I had more time to talk about citizenship. I want to say we are very disappointed in this bill. We are disappointed in the defensiveness of the minister who was completely inflexible and would not bring in any changes of his own. We wanted a strong department of citizenship and multiculturalism.

Bill C-18 could have been an effective vehicle to promote a truly multicultural Canada with equality for all Canadians. We regret that it is so limited. We will not oppose this bill because we want a department. We hope in future years it will be improved, but we cannot endorse this very unsatisfactory bill with any enthusiasm at all.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I listened with interest to my colleague's comments. I know that she speaks with a great deal of passion and understanding of the issues of multiculturalism and racism in Canada.

I would like the member to make some comments on what she had hoped would be—

[*Translation*]

Mrs. Maheu: Mr. Speaker, on a point of order.

This morning, when the minister's parliamentary secretary spoke to Bill C-18, the Chair said there would be a period for questions and comments, but when she realized there was no question period at the third reading stage, she interrupted me immediately.

[*English*]

Ms. Mitchell: Mr. Speaker, I rise on a point of order. It is my understanding that there are no questions and comments at third reading.

[*Translation*]

The Acting Speaker (Mr. Lopez): The hon. member may now proceed with questions and comments for the hon. member who just made her speech. The hon. member has the floor.

[*English*]

Mr. Karpoff: Mr. Speaker, I actually regret that there was no opportunity to ask questions of the representative of the government because it certainly was not a very bold declaration of the government's commitment to multiculturalism in this country.

My question to the member concerns her remarks. I would like her to expand on what she hoped would be forthcoming in this legislation as it deals with citizenship.

• (1230)

Ms. Mitchell: I am particularly glad the member asked this question because I think the government representative really was not presenting the facts as they occurred in committee. I put forward very major proposals in regard to citizenship, and this was in response to concerns of the Canadian Citizenship Federation as well as other groups.

I think it is very important that we deal with multiculturalism within the context of Canadian citizenship and that Canadian citizenship really comes first. It is very important that all people who come to Canada identify with something that is bigger than their own ethnic origin and heritage and this quite often takes some time. We really ought to actively promote and educate people to be able to identify with Canada and Canadian society.

As you know only too well, Mr. Speaker, when we talk about Canadian citizenship we are talking about citizen-

ship in a country that is multicultural. That is what is so wonderful and exciting about Canada and I just think it is really sad that the government, first of all in this bill, did not emphasize the citizenship aspect.

I tried to put in a special definition from the Citizenship Act to refer to it. I do not know why the minister objected. I also tried to change the name of the act to put the word "citizenship" before "multiculturalism", calling it the Citizenship and Multiculturalism Act which I believe would give the perception to people that we are all citizens of Canada first, regardless of our specific ethnicity.

I was sorry that this was not a major emphasis in the act. I know we will have the Citizenship Act later and I look forward to that, but I think it is very important that we promote multiculturalism within the framework of Canadian citizenship and that we promote something that is called "Canada" which we all belong to and is common to all of us regardless of our particular ethnic origins.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am pleased to rise and speak on this particular bill in the House today. I believe that Bill C–18, an act to establish the Department of Multiculturalism and Citizenship merits our support, but it is flawed.

There are some very real major problems which I would like to identify so that we can do something constructive about them when the opportunity arises.

There is a certain amount of cynicism about the bill. Some people are wondering whether it is a symbolic effort on the part of the government in response to a group of Canadians who have often been denied, and perhaps not treated as equitably or with as much sensitivity as could have been exercised.

Of course Canadians generally are really quite knowledgeable about the smoke and mirror competency of this government on a number of issues. There is often much glitz and puffery in everything that it undertakes. Therefore there is nervousness; there is cynicism. It is really unfortunate because I think fundamentally it is an issue that is particularly important in Canada as we know it today.

I want to review just briefly a bit of history. Both parties are often most anxious to point out Liberal lack of achievements. I would hope that, before this debate is over, they could commend the Liberal Party for some of the initiatives that it has taken in the past with respect to multiculturalism.

It was in 1971 that the Liberal government introduced a multicultural policy, and I shall quote three of the objectives that were brought forth at that time:

> 1. To support all of Canada's cultures, by assisting, resources permitting, the development of interested and needy cultural groups.
>
> 2. To assist members of all cultural groups to overcome cultural barriers to full participation in Canadian society.
>
> 3. To promote creative cultural encounters and interchange among all groups in the interest of national unity.

It was in 1982 that the Liberals took another first step. At that point in time, the concept of multiculturalism was sufficiently entrenched to warrant recognition in Section 27 of the Charter of Rights and Freedoms of the Constitution Act, 1982. I think that is a historical moment of some significance.

Mr. Speaker, you will perhaps recall that these Liberal initiatives were congruent with the United Nations subcommittee on the protection of minorities and the prevention of discrimination, a committee that gained prominence because of the human rights issues that were surfacing at the time. The point to be made is that the Liberals undertook some very important initiatives, and this is an attempt to continue to develop those policies. In that sense, they are truly laudable.

As I indicated initially, what has happened is that there is some nervousness out there because people are wondering if this is a symbolic gesture. Why do they ask if it is a symbolic gesture? Everyone who follows the proceedings of the House knows that there have been substantive and substantial cuts in the area of multiculturalism. In light of that fact, why is this being promoted? There is no provision for a commissioner who will ensure that the policy is going to be enforced, that the various initiatives which are going to be undertaken and the objectives that have been set will be realized.

Is it real? Is it serious? Is it really a commitment? Some people will know that there was a rather harsh cut to the citizenship and language instruction agreement. It penalizes new Canadians who want to learn one of our two official languages.

Another point that has made people cynical and nervous about this whole initiative is that there have been no changes allowed. If the government is truly serious about this initiative why has it not allowed even a minimum of change?

I should point out, as well, that there is no definition of multiculturalism. When we talk about multiculturalism, are we talking only about people who come to Canada from different language backgrounds? Are we also including people of religious backgrounds?

We all know that there are cultures and various socio-economic groups. For example, the poor have a culture. Are we including the culture of women, men, the elderly, youth, the west, the Atlantic provinces, the north, Quebec, Ontario? What do we mean by "multicultural" or "multiculturalism"? There is a suspicion that it is not known what is meant. There is a further suspicion that it is not even known what culture in itself really is, because we are cognizant that there are many definitions out there.

[*Translation*]

Is this a purely symbolic gesture? Is this a genuine commitment to a group that deserves some special consideration? Why were cuts made in the budget for multiculturalism? Why is there no definition of the term itself? Why is there no commissioner to ensure the objectives are met and, if they are not met, to ensure these deficiencies are identified so that we, in Parliament, can try to correct them?

• (1240)

Where will we take the staff to fulfill that new department's mandate? Will they be civil servants? I have nothing against that. But will these people have the knowledge needed to enable the department to meet its objectives? The basic question is this: Is this only a token gesture or is it a real initiative? You probably remember the TV add about a certain hamburger chain where the lady was asking: "Where's the beef?" With this bill, many persons ask the same thing: "Where's the beef?"

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I am pleased today to deal with this important legislation the purpose of which is to establish the Department of Multiculturalism and Citizenship.

Canada has always been a country that has welcomed people from all over the world who come here seeking freedom, peace and properity.

From the very first French, Irish and Scottish immigrants to the post World War arrivals of European immigrants, and the recent waves of Asian nationals, we have all found in this country a place where we can make our dreams come true.

Like thousands of immigrants who have become Canadian citizens, my family and I are very grateful to Canada and Canadians for accepting us as brothers and for allowing us to fully participate in the life of our community, our city, our province and our country.

[*English*]

I feel that the most concrete way in which we can express our gratitude is to pursue an active role in the country we have chosen. We want to see progress toward greater harmony and prosperity. Our objective is to create a Canada which reflects the ideals and ambitions of its citizens.

[*Translation*]

As a member of one of Canada's ethnic communities, was able, like many others, to bring to this country a wealth of culture, tradition and expertise which undoubtedly contribute to a large extent, not only to the specific character of Canada, but also to its unique social and economic vitality. Clearly, stronger, more vibrant and more dynamic ethnic communities mean a stronger and more productive Canada.

For instance, Canada already benefits from the fact that it can dialogue and negotiate with the rest of the world in both its official languages. But when it taps the linguistic wealth of its cultural communities, it can readily have access to Europe and Asia which are among the most valuable markets in the world.

But in order to achieve the ambitious goal of building a Canada for the 1990s which accurately reflects its citizenry, we must first develop a successful dialogue, not only among the founding nations of this country but also its various cultural communities which, over the years, have contributed to the richness of the Canadian mosaic.

Mr. Speaker, this dialogue between the various components of our society must be based on mutual knowledge and understanding of our diversity, and even our difference.

The hon. member for Vancouver Quadra (Mr. Turner) expressed this notion so well when he said that there is no majority in Canada anymore, and that one way or another, we are all members of a minority.

Once we have perceived and accepted this reality, it becomes much easier to develop a cultural dialogue and to accept others as equals.

Fighting racism, harmonizing diversity, developing a consensus in spite of differences, providing real equal opportunities represent tough challenges for any country or people.

A recent study done in the United States shows that, despite the noble battles fought by great black leaders such as Martin Luther King and our perception of progress, racism is almost as prevalent today as in the sixties. In some regards, it may be less visible than when segregation was legal but its practical consequences remain about the same. Unfortunately, Canada is far from immune from this social cancer.

By the year 2000, three Montrealers out of five will be of ethnic background. We are already almost half and half. It means that Canadians of every origin, particularly those living in large centres, must quickly adapt their mentality and behaviour to the reality of minorities, especially visible minorities.

It will take time, energy and above all tolerance.

We also need moral and political leadership. We are no longer satisfied with symbolic gestures, token appointments and bandaid solution.

[*English*]

The present government has clearly not understood Canada's multicultural reality of the 1980s and understands even less the coming reality of the 1990s. Despite the electoral promises of 1984 and 1988, the situation today has not improved. The lack of government direction has produced nothing but stagnation, confusion, and, in my opinion, a deterioration which will sooner or later heighten social agitation.

[*Translation*]

In order to enhance its image vis-a-vis the cultural communities, the government has tabled a bill on multiculturalism.

Instead of giving multiculturalism the same support as that given to bilingualism by the Official Languages Act, the bill introduced by this government merely sets the legislative framework for existing programs and extends the principles of multiculturalism to the various governmental branches.

This fooled no one, neither Canadians nor the representatives of our cultural communities.

The Tories are looking for the ethnic vote, but their lack of vision of a strong, united and multicultural country is obvious. This government is putting through a bill regarding multiculturalism and establishing a Department of Multiculturalism and Citizenship while, at the same time, making cutbacks in the heritage language programs.

How can multiculturalism be promoted in Canada when the means to achieve that goal are been cut?

It is the same with official languages. The government introduced and amended an existing act but did not implement the regulations, making the act inoperative.

The Conservative Party is nothing but a political party, a government without vision, without a cause and with no backbone.

[*English*]

The same half-hearted approach was taken by the government in the area of appointments. With seemingly impressive numbers, the government claims to have treated cultural minorities well in this regard. However, looking closely at the appointments, they have been at low levels in crown corporations and the bureaucracy, and often in strictly advisory organizations.

Canada's cultural communities deserve better. To everyone's benefit, we should be able to find Canadians of ethnic backgrounds involved in all sectors, in decision-making roles at the highest levels of the bureaucracy, right up to the presidency of crown corporations.

[*Translation*]

Everything has yet to be done. And we certainly cannot rely on the conservative government to expand on the measure. It has proven its incapacity to see the changes in our society and to respond fairly and with compassion to the needs of Canadians of all origins.

[*English*]

I am proud to be Canadian, and I am proud to be a part of a cultural community. I am also proud to be associated with a political party which has always been conscious of Canada's multicultural reality and which has never hesitated to reinforce and develop the role of our communities in the Canadian mosaic.

• (1250)

Canada is a multicultural society made up of native peoples, francophones, anglophones, and ethnocultural groups and all institutions should reflect this.

When I see the current discord on both sides of the language issue it makes me sad. My Canada is a generous, tolerant, and compassionate country. If the language and the culture of the French minority in Canada and of the English minority in Quebec cannot be preserved and promoted, how can we expect that the ethnic languages and cultures will be preserved and promoted. Every time we attack and diminish the value of multiculturalism we increase assimilation and that is not the Canadian way of life.

Canada is a model society in the world, the best country in the world. Regardless of our origins, let us work to keep this country together, living together and recognizing and accepting our differences. It is the way the rest of the world will live in the year 2000. We should work toward that objective and give our example to the world as we have for the last 150 years.

[*Translation*]

Madam Speaker, Canada stands for tolerance, generosity and compassion. Canadians can live together in spite of their differences.

This new department must promote Canadian unity and the Canadian way of life if Canada is to survive.

[*English*]

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would like to congratulate the member on his very eloquent and moving speech, as a Canadian, about Canada, his country and my country. He mentioned several things and I agreed with much of what he said.

One of the things he talked about that I was particularly interested in political band-aids and that some of the multicultural activities of the government seem to be, what I would call, tokenism and looking for the ethnic vote. He also said that the situation is worsening. I wonder if he would elaborate on that.

I know, from the point of view of racism and discrimination, that we have had increasing concerns over the last year. There have been quite a number of incidents of this nature. There was concern expressed today in Statements Pursuant to S. O. 31 about some of the attacks on Jews in various parts of the world.

Here in Canada, we had such a strong protest against allowing Sikhs to enter the RCMP. They have a religious symbol which is very important to them, which is their turban. We had racist pins being circulated and other paraphernalia from Alberta. We had a number of very tragic, long-term cases revealed. One was the Donald Marshall case and there was another case in Winnipeg of discrimination against native people. There are many other things. Certainly in the Indo-Canadian community there have been concerns as well, the rise of the skinheads being one.

I would think these are symptoms that there is tension in Canada. The government, in many ways, has tolerated this and allowed it to escalate. I wonder if the hon. member would like to comment on this, along with any other solutions he could suggest.

Mr. Gagliano: Madam Speaker, I appreciate my colleague's compliments and I thank her for allowing me to develop my thoughts on this question.

Canada is a mosaic. The only way to succeed is for us to accept our differences, to recognize our cultural traditions and differences, and to try to live together in harmony. For 150 years this country has stayed together, but lately we have a serious problem. I do not want to enter into the Meech Lake Accord debate because I think it divides us and I would like to speak on things that unite us.

For example, a couple of weeks ago on a national television program, *The Journal*, I saw people walking on the Quebec flag, burning things, and saying things. When we show that on national television, there is an impact. I know that makes news and the journalists are looking for very appealing events. But many people who watched that program were given the impression that English

Canada thinks that way toward French Canada. I strongly believe that that is wrong.

The government says: "We do not have to give CBC a unity mandate." We have to find something to keep the country together and we should use our institutions like the CBC. The departments need a goal to keep the country together which is not an easy thing.

It is almost the year 2000 and we can see what is happening in the Soviet Union and Europe. We are already together. In order to succeed, and to continue to give an example to the rest of the world with our way of living together—celebrating our differences and loving the same country, with different perspectives and different priorities—we should all be Canadians. I believe that the government has to show the leadership.

For political reasons, the government has not shown the leadership needed to keep the country together. We have no cause. Why should Canada stay together? We have to show leadership. We cannot keep the country together only by economic aid. There has to be a reason to be Canadian. Quebec should not stay within Confederation because only it benefits economically. If that is the only reason for Quebec staying in Confederation, one day or another, when Quebec has a stronger economy, it will say: "Canada, we do not need you anymore. We are going to leave."

To stay together, Canada has to have a cause. It has to represent something and, as national politicians, the federal government has to give that kind of message and show leadership. That is the only way we can achieve national unity in the country.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I am pleased to have the opportunity to rise and support the principle of Bill C-18.

At the outset, I would like to make perfectly clear that, because of the refusal of the minister to entertain reasonable improvements to the proposed legislation during committee debates, I have some serious concerns about the adequacy of the legislation.

The bill establishes a new department of multiculturalism and citizenship following the earlier Canadian Multiculturalism Act which, in itself, establishes objectives for multiculturalism policy in Canada. Although the new department will have the power over most matters relating to multiculturalism and citizenship, and also the responsibility to enforce implementation of our multicultural policy, the proposed legislation is lacking in many specifics.

My colleagues and I reluctantly support Bill C-18. We whole-heartedly support the principle, but we do feel that the current legislation fails to adequately address the need for a true and vital program of multiculturalism in Canada. That has been a policy of the New Democratic Party for some time.

The bill requires specific improvements imperative in order to establish an agency that would carry out the objectives of the federal policy on multiculturalism. There are several concerns which we continue to have about the particulars of the legislation, such as the questionable ability of the new department to carry out its mandate and objectives.

For example, the present staff members who are to be transferred from the Department of the Secretary of State are simply insufficient to carry out the expanded responsibilities of this new department with its enhanced mandate. Extra staff members with very diverse backgrounds will be needed. It is imperative that staff members who are hired are sensitive to the dynamics of Canada's cultural mosaic.

• (1300)

It is critical that there are sufficient funds available for the deployment of those community-based multicultural programs. If not, then the new department will simply be a form of window-dressing, another example of political tokenism which has been the hallmark of this administration.

My colleague from Vancouver East has spoken eloquently about the cuts and about the needs which are not addressed in this present bill. For example, multicultural organizations have been cut over a three-year period, I believe, by some 50 per cent.

We were very concerned to hear that funds for the citizenship instruction and languages textbook program had been slashed by 50 per cent in 1989, and that the program is slated to be eliminated this year.

These are government initiatives that are simply going in the opposite direction. They are the antithesis of a strong multiculturalism policy.

The minister knows full well that the act states the obligation to promote an understanding of the value of Canadian citizenship, and to encourage the participation in the social, cultural, political and economic life of Canada. But how can the minister promote these lofty ideals when his government has in fact slashed the very foundations needed to implement those same programs?

When this bill was first introduced in the spring of 1989, we felt that it was more of a housekeeping measure rather than one which set forth a specific mandate to administer the multicultural act in Canada. My New Democratic colleagues at that time felt that the bill should define specifically multiculturalism, and that it should lay out specifically ministerial responsibilities to implement the policy of multiculturalism in our federal institutions. This bill fails to do that.

Since this bill was debated at second reading last fall, several things have changed which weakens our support for what could have been a very good piece of legislation.

First, in committee, the minister refused to allow reasonable amendments to this bill which would have strengthened it considerably. The suggested amendments included the specific role of the minister and the department in enforcing multiculturalism in federal institutions, a specific reference to the elimination of racism in Canada, the provision for employment equity and the monitoring of the agency by a non-governmental body.

In addition, the budget of the government has made drastic cuts to Secretary of State funding for multiculturalism. These cuts, as I have mentioned already, seriously undermine the ability of our community-based programs and our advocacy groups to function accordingly.

We have seen further cuts to advocacy groups such as the Canadian Ethnocultural Council and the citizenship language training programs, while at the same time the government has been dumping millions of dollars into the construction of a heritage language institute. Here again the government prefers to create expensive central institutions rather than fund worth-while community programs that are so badly needed across Canada.

The minister had an opportunity in committee to make these reasoned changes that are necessary to create a truly workable piece of legislation, one which New Democrats could unconditionally support, but he refused to do so. He refused to give himself the mandate that is so clearly needed to really make things work.

Thus it became apparent that the bill was really window-dressing, and window-dressing is simply inadequate with such an important issue.

New Democrats firmly believe that equality rights must be the primary objective of any policy of multiculturalism in this country. Long before my New Democratic colleagues and I had the privilege of serving in this Chamber, leaders such as J. S. Woodsworth, J. Coldwell and Tommy Douglas spoke out strongly and eloquently about prevailing injustices toward Canada's ethnic minorities. They spoke out about the long history of violations of basic human rights which, regrettably, are an indelible part of Canada's history.

We fought with vigilance the shameful and brutal treatment of our Japanese citizens whose lives were literally ripped apart and whose pride of Canadian citizenship and identity were torn asunder when they were humiliatingly interned during the Second World War. Canada has only recently recognized the need to redress this national crime against our Japanese citizens.

We have pressed for the need for full recognition of our aboriginal peoples, including the right of self-government and the need for a negotiated settlement of native land claims.

We continue to protest the injustices in our present immigration policies. We continue to deplore the systemic discrimination in employment against visible minorities in this country. We continue to fight against the growing intolerance in the incidents of racism in Canada.

Whether or not it is expressed in our Constitution, multiculturalism is a fundamental characteristic of Canada. More than one-third of Canadians come from origins which are not aboriginal. They are not French or English. Their numbers are increasing rapidly.

Together these non-indigenous groups form the largest segment of the Canadian population. In many communities out west, particularly in the Vancouver area, for

example, non-English, non-French descendants are actually the majority. In recent years people have come in increasing numbers from Asia, the Caribbean, the Middle East and from many Latin American countries.

Canada has truly become a rich and colourful mosaic, a celebration of culture diversity rather than a homogeneous melting pot as is evidenced in our neighbour to the south.

This accelerating pace of ethnocultural change has not come without its costs. According to official pieties, Canada was born and raised in the spirit of cultural pluralism. Its culmination is the present policy on multiculturalism. Would that we were born to such a perfect world. Unfortunately, the demons of racial and cultural prejudice have never quite been exorcized from Canadian society.

Incidents of racism and intolerance are etched deeply in our history. For that matter, they are increasingly easy to find in the headlines today, from Alberta-made posters decrying turbaned mounties, to the skinhead rallies in Toronto; from increased hostility toward Hong Kong immigrants in the Vancouver area to growing tensions towards east European immigrants in the maritimes.

The growing tensions are symptomatic of something much deeper and very threatening. At their heart lies the discriminatory hierarchy that differentiates among Canadians and treats some of our citizens as little better than outsiders. Exposure of institutionalized racism in our justice and in our police systems, such as the wrongful imprisonment on a murder charge of a young Indian, Donald Marshall, and the evidence exposed in Manitoba's aboriginal justice inquiry reveal all too clearly the dark side of our national soul.

Canadian petitions to prevent the RCMP from accommodating orthodox Sikh requirements for dress are indeed profoundly disturbing, particularly when one cuts through the misguided arguments of Canadian tradition and finds that we are left with the most painfully frequent argument that Sikhs and their traditions are simply "unCanadian". "Let them take their foreign paraphernalia and go home" is the rallying cry of a vocal faction of our Canadian citizens.

• (1310)

The searing racial intolerance of this argument takes us as a nation a long way from our avowed belief that Canada is among the world's most tolerant of countries.

It seems likely that opportunities for racism and growing intolerance to other ways of life are likely to grow as the composition of Canadian society becomes increasingly diverse. It is symptomatic of a reaction to an accelerating pace of change that will see within the next two decades 20 per cent of the populations of our major cities belonging to non-white minorities.

In conclusion, one hopes that there is no half-way position in human rights. Either we accept the proposition that no race, religion or culture is intrinsically better than another, or we will continue to act and to react in ways that are hypocritically at variance with our declared pluralistic and democratic principles.

We have a lot of work to do to ensure that Canada remains a country recognized globally as a tolerant nation. Canadian norms are multicultural and pluralistic. There are many equally valid ways and equally legal and productive ways of being Canadian. That is our reality.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would certainly like to commend the hon. member who just spoke. I am very proud to have him as a member of our caucus. I know that he started on his speech just a short while ago, which is a real sign of a professional.

I want to ask a couple of questions to clarify one point about funding cuts. There has been one cut as a result of this past budget which, perhaps, should have been added to his list. I refer to the $4.1 million that were cut for heritage language programs. These are the programs for children of immigrants right across the country who are in many hundreds of different classes. It is wiping out completely federal funding for that program.

At the same time that the government is cutting funding for heritage languages under the multicultural department, somehow in this time of cut-backs it has found $14 million for the Minister for International Trade who apparently is going to try to educate adults in Pacific Rim languages. If anyone here has tried learning Japanese or Chinese, they will know that it is not something you can do very quickly as an adult. Yet at the

same time the government is cutting off a very natural evolution of language training for children.

First, would the hon. member like to comment on this situation?

Second, what does he think of the government's priorities and what they mean as far as the Minister of Multiculturalism's position in Cabinet and his ability to get funds for essential programs is concerned as compared to the Minister for International Trade who does not seem to have any problem?

Mr. MacWilliam: Madam Speaker, my colleague raises a very legitimate point, one that I had touched on but perhaps not embellished.

The biggest concern that we have with the current legislation is simply the fact that, again, we are dealing with the concept of window-dressing. We are attempting to demonstrate that we are creating an institution which is going to do the job it has set out to do. In fact no piece of legislation, no created department, no created mandate can do the job if the funding is not there at the community level.

It is one thing to pump millions of dollars into creating central institutions, which this government is wont to do. The reality of the problem, in terms of promoting a workable policy and mandate for multiculturalism across Canada, is to put the funding in at the community level for the very programs that are needed in language training of our new citizens and in helping the many community advocacy groups which so desperately need help.

The simplest way to look at it is to consider the analogy of the initial cuts of some $1.6 million to women's programs. While cutting those very necessary community based programs, the government somehow miraculously was also able to justify spending the equivalent amount of money, some $1.6 million, for upgrading the Senate chamber. When we look at it in terms of priorities, it is very obvious that the government is very narrow-minded in determining where its priorities should be.

We say that the funding priorities have to be at the community level and have to be put into the programs that are required in order to make this kind of legislation really workable.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I too am very pleased to stand today in support of Bill C-18, which is an act to establish the Department of Multiculturalism and Citizenship.

Although the bill is lacking in strength, the current legislation is eminently better than what we have today. It is the appropriate way to move.

The main purpose of the bill is to establish a Department of Multiculturalism and Citizenship. Under that heading there are many areas for which the department will be responsible. It makes me wonder whether, with the projected budget for the 1990-91 estimates of $155,000, just how it is going to achieve all of the goals that it has set out in the guidelines.

I look at the Department of the Environment and the budget estimates that were set up for it and I see the same situation. I do not know why the government tries to set up a new department and allows the estimates to come from each department having each department competing for the same dollar. It makes it very difficult for the minister of that department to achieve his goals or to arrive effectively within the projected guidelines of the department.

The focus of Bill C-18 is on the machinery of government. The new department will consist of five branches at departmental headquarters. They will be multiculturalism, citizenship registration and promotion, literacy, voluntary action, and human rights. We all realize that every one of those areas is an area that certainly requires a tremendous amount of compassion and assistance, not just from members of Parliament but from all Canadians.

Since 1971 the Canadian multicultural policy has evolved. I am very pleased and proud to say that it was enunciated by a Liberal government. The main purpose of the policy was to support all of Canada's cultures to assist the development of interested and needy cultural groups, resources permitting; to assist members of all cultural groups to overcome cultural barriers to full participation in Canadian society; to promote creative cultural encounters and interchange among all groups in the interest of national unity; and to assist immigrants to our country in the acquisition of one of Canada's official languages so to become full participants in Canadian society.

That is pretty heady stuff, but very necessary. Yet there is not the teeth in the bill to achieve all those things. There is not the funding provided in the bill to achieve all those things. They are very necessary if we are to maintain the cultural mosaic that we have here in

Canada in which we all live together, where there are many Canadians like myself who were born of Canadians, but an equal number of people who are not Canadian born have adopted Canada as their country.

As immigration continued through the 1970s and 1980s the policy of multiculturalism took root within the many ethnic communities of Canada. By 1982 it had become sufficiently entrenched to warrant recognition in Section 27 of the Charter of Rights and Freedoms.

• (1320)

International developments and progress in the area of human rights and fundamental freedoms helped the policy of multiculturalism take root. At the United Nations the Subcommittee on the Protection of Minorities and the Prevention of Discrimination gained prominence through its work.

The Canadian policy of multiculturalism, with its emphasis on citizen participation, human rights and cultural diversification, matched a variety of goals established by the United Nations to foster tolerance and understanding. In addition, multiculturalism was also intended to promote national unity and help better define a national identity. Thus the policy of multiculturalism as established by Liberal governments met both domestic and international goals.

What seemed like a policy without flaw was placed under increased strain throughout the latter part of the 1970s and 1980s. Racism manifested itself with increased frequency, and the rapid growth of ethnic communities led to criticism of multiculturalism on the grounds that the policy did too little or too much to help immigrants and thus left them in cultural "ghettos".

The Conservative government enacted the Multiculturalism Act again in 1989 when Bill C–18 was introduced in the thirty-fourth Parliament. Conservative action on multiculturalism is in part an attempt to make inroads into a substantial voting block with a high level of political participation. These groups have provided long-standing support for the Liberal Party. Whether Conservative policies are eroding the support is open to speculation.

My party, the Liberal Party, endorsed the concept of a separate department of multiculturalism in the 1988 election platform. At second reading of Bill C–18 the party again supported the concept but expressed reservations about this bill and suggested amendments in committee. At third reading the party supports the notion of a separate department but still has serious reservations about this bill.

Although the establishment of a department is a step in the right direction, the lack of guaranteed funding to each specific branch within the department could very well cause problems if each branch has to compete more vigorously for a decreasing amount of money. I mentioned that earlier and I compared it to the new Department of the Environment where each department puts forward its request. They talk about the issues. They are all competing for the same dollar.

Another weakness is that the bill fails to provide an adequate enforcement mechanism, such as a commissioner of multiculturalism who would monitor and enforce the proper delivery of multicultural policy.

While the concept of the bill is a welcome one, this government's actions are large symbolic. This bill could have been much stronger. It could have established institutional organs to help better define and enforce multicultural policy, guaranteed levels of funding for the department, and a policy path that would expand the impact of multicultural policy.

Hence, multicultural policy would not service a few client ethnic groups but rather educate all Canadians of our multicultural heritage about the principles of racial and religious understanding and about the concept of national unity and the need to develop a Canadian identity while retaining one's ethnic culture.

On March 31, the Conservatives terminated the citizenship and language instruction agreement. This agreement provided textbooks to the provincial and territorial governments for half the class instructional costs and up to the full amount of costs for citizenship textbooks. How is national unity to be promoted and how does Canadian identity become defined when the federal government withdraws from progress that could strengthen both?

Quite recently I attended a meeting of the heritage schools in the Ottawa—Carleton area in which my riding is located. I cannot remember the exact number, but there were at least 20 heritage schools operating in this area. They have had drastic cuts in funding. These

people were trying to retain a small portion of their heritage for their children in order to pass it on from one generation to another. They have no idea from where they are going to get the money. If this government is really serious about multiculturalism in this country, that money would be reinstated.

We Canadians are very fortunate to live in this cultural mosaic that is called Canada. As I mentioned earlier, many of us are Canadian born, but there is equally a great number who come from other lands from around the world who have chosen Canada as their country.

We must not be smug or casual about our way of life. We see great division in this country today, a division that is extremely distressing for people of all cultures. I would just like to mention one. This morning my colleague stood up in the House of Commons under Standing Order 31 and mentioned the desecration of a cemetery, anti-Semitic actions against a Jewish cemetery in France. We cannot tolerate this kind of action.

Our Sikh community has been discriminated against probably more in some parts of the country than in others. There have been great discussions with regard to allowing turbans in the RCMP.

Our native peoples have been discriminated against for years. They were the original Canadians. Yet they probably have been the most discriminated against group of people that this country has ever seen.

Again, I have been very pleased to stand here and speak on this bill this afternoon, a bill that we have to support. Although it is weak and although it does not provide enough, if Canada is to move ahead and recognize the cultural mosaic that we are, then we must have an act to establish a Department of Multiculturalism and Citizenship.

Mr. Jim Karpoff (Surrey North): Madam Speaker, I wonder if the hon. member would like to comment on some of the problems that I have heard in debates in the House. There seems to be a number of people in the Liberal Party who are opposed to the fundamental concept of multiculturalism. They seem to be opposed to any separate department or any attempt to allow the development of multiculturalism or the support of programs. They feel that that is inappropriate.

I would like the member to comment on whether that is close to the Liberal Party's position or whether her statements are it. Where does the Liberal Party stand on the promotion of multiculturalism?

Mrs. Gaffney: Madam Speaker, I cannot say that I am pleased to hear a member of the New Democratic Party ask a question that is so divisive.

Mr. Milliken: Silly nonsense.

Mrs. Gaffney: It is silly nonsense, as my colleague says.

The multiculturalism policy of this country was started by the Liberal Party. We are all very proud of what is happening in our country today. To make a statement like that is idiotic, smug and divisive. I do not wish to comment on it any further. I find it absolutely appalling that a member of this House would stand up and make a statement like that.

Mr. Karpoff: Madam Speaker, I feel that the Liberals are very touchy. There are members of that party who have said in this House that they do not support the concept of multiculturalism.

The hon. member talked about politics. It seems that the hon. member was more concerned about what the Tories did that might cut into their vote pattern than on the principle. I support multiculturalism in terms of principle, not because it is going to have some impact on a voting block.

The Liberal member gets very indignant about that, yet she stands there and says that what she is concerned about is that the Conservatives may make inroads into the ethnic community. The New Democratic Party and I support multiculturalism, not because of its political implications but because we will do it on principle.

• (1330)

Mrs. Gaffney: Madam Speaker, just a very brief comment on that: again, an appalling question.

An hon. member: An appalling statement.

Mrs. Gaffney: An appalling statement, you are right. If that is the only reason this government has proposed Bill C-18, then that is not a reason for establishing the department of multiculturalism and citizenship. The government has not put any money into the bill; it is spreading it out over a whole group of departments and there are no teeth in the bill. I am really questioning the

government and its motive in establishing such a department.

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, it gives me a great deal of pleasure to talk to a principle and a philosophy that we desperately need for the Canadian experiment to become a reality in our country. Although founded by the aboriginal peoples of our land, the reality of Canada emerged with the arrival of the English and the French. We have added to the stream which is Canada with that third more important and growing sector, the multicultural dimension.

That reality was recognized in the early seventies when the principle and philosophy of multiculturalism was brought forward in the framework of a bilingualism policy by my predecessor for Mount Royal, former Prime Minister Trudeau, in October of 1971. It was at that time of the B and B commission that some serious observations were made about this third strand in our society, the multicultural community. Although we all knew that that sector was there and was enriching us all, we did not quite identify the kind of measures that were needed to make sure that this new kind of Canada would grow in tolerance, understanding, appreciation and respect for the differences.

We were, in this experiment, very different from the American experience. One did not come here, like one would come into the United States, and immediately salute the flag and forget one's roots. That is one way to proceed. In Canada, people were invited to bring their culture and their heritage. They were told to respect their roots, honour their ancestors and add to the Canadian experience, never denying who or what they were.

I think that is a very exciting dimension, but it has problems inherent in it. When one comes from lands of intolerance or lands that promote discrimination or fight over language, race, creed or culture, there is obviously the tendency to bring along those inherent structures and that frame of mind which has developed through history and through geography.

We say to those people: "You have now moved to a country that has a new concept. Be part of the mainstream; be proud as a Canadian". We say to you, through public institutions, whether it is through our broadcasting services, radio or television, whether it is through the printed media, whether through magazines, books, or any other ways in which we express ourselves in a cultural sense in this country, "We admire who you are; we want to know more about what you are".

Madam Speaker, those are perhaps idealistic ways and, perhaps, some people would say, a very Pollyanna view of how Canada is to grow and flourish. I do not believe that that is being Pollyanna. I think it is perhaps somewhat visionary. It could be realized if a truly multicultural bill were put into this House, as a bridging mechanism for all Canadians and not directed strictly to visible minorities, not directed strictly to our aboriginal founding peoples, not directed to minorities *per se*, but directed to all Canadians in an inter-active way, so that we can learn to appreciate, respect and even love each other.

My colleague from the Ottawa region alluded to a comment I made earlier today with respect to desecration of sacred land, of consecrated ground, cemeteries. I cannot think of any more mischievous, nefarious, and hurtful way to attack a community than to attack a place where families go to pay respect to ancestors who have given of themselves and passed on.

That is not the Canadian way; that is not the tolerant way; and that is not indicative of the love and affection we share for each other regardless of race, religion, language, creed, or country of origin. These are acts of racism we have seen manifest against our aboriginal peoples, as we have seen in the Donald Marshall and other cases with respect to our Indian population, as we have recently seen through *Disparaitre* on Radio Canada.

This was an insensitive documentary, very one-sided, presented by a woman, also very narrow-minded, who was named to head the fiftieth anniversary celebrations in Quebec, which was to celebrate all women and all women's contributions in Quebec. However they forgot to include visible minorities in their planning, forgot to include English-speaking women in much of their planning. They went ahead, 3,500 of them, and raised their glasses in a toast to the wonders of Quebec and Quebec women. Yes, I can tell you that we can toast the wonders of Quebec and Quebec women. But forget the narrow-minded people who have forgotten to open their minds. That is why we need a bill like this.

I can tell you about Madeleine Parent. She is a wonderful women 71 years of age, with a long line of history and family in Quebec, a trade unionist who fought against racism, fought for the under-privileged, fought for employment equity, and fought for the right of all women to have their place equally in this society. It didn't matter their colour, but it was important that a voice spoke out.

I can tell you about women from the Indian community who fought for the rights of the Indian woman to be recognized as a person with fair and equal rights with her brothers in this society.

There are many areas that need to be approached. The problem with this bill is really an unfortunate one and makes me question the government's thinking. Unfortunately, the whole question of the definition of multiculturalism is unclear. That is regrettable. Perhaps it will evolve in time and amendments will be adopted, because they are desperately needed. From strong support from the Canadian Ethnocultural Council in 1987, 1988, and 1989, we now have serious reservations from them on May 11, 1990, as they see the cynicism behind this bill, the lack of sincerity because of its weakness.

They are very unhappy about the definition of multiculturalism. They are very unhappy that the bill does not link itself to the Canadian Multiculturalism Act. They are unhappy with these weaselly words "should", "perhaps", "may", "shall", nothing that is directive or concrete.

There is nothing that will ensure employment equity. That bill, too, which is coming up again, is a sham.

The bill is weak, but the principle and the philosophy is important. As the term does not include "multiracial" I was wondering if the multiracials are included? As it does not include the aboriginals, are they included in this mandate? Is this to promote integration of men, women, and children, and if so, how? What are the educational parameters? What is the relationship with our provinces? Is it at the First Ministers' table? What kinds of directives and powers are given to this minister and his ministry, because it is important, if we believe in a vision of Canada, for all people to understand. Is its purpose to ensure a sensitivity and an upgrading on the employment equity act? Will there to be grants and support to cultural groups, or is it another song and dance, an opportunity for all of us, including myself who might take advantage of it, to go and hand out a grant?

• (1340)

That is not its purpose. It is too important. We should have laid out ministerial responsibilities. We should have ensured that projects like the heritage language project, aboriginals communication, which is not only for aboriginals, but for the whole north, should never have been cut.

There are so many serious funding questions to be asked. Since it is important to move ahead with this bill, I flag them as questions, not as a destruction of the concept. It is a pretty package. The question is over its content.

What about staffing? All members of this House know that if you do not put sufficient funding into a project, you do not end up with a proper goal. We cannot realistically expect projects of principles and philosophy to grow if they do not have staff and management and some funds behind it.

I want to know how this will be put it into effect so that we get knowledgeable representative people who reflect the whole society, men and women of all races, colours and creeds, who can work together to implement a wonderful philosophy that is the Canada of tomorrow. It will be a unique nation among nations if we can meet the goal.

Supporting this policy would be a joy. I support it, but it is not the joy I would have liked, because the objectives are not as focused as I think they should be. The issues, policies and programs are not sufficiently clear to address what is fundamentally a very vital issue as we depend more and more on immigration. We have to make sure that everyone, even if they have been here for hundreds of years, learns to live, respect, grow and glorify in our own differences. Otherwise, the will is puffy and pretentious and does not do what it was meant to do. I think that would be an unconscionable message and not one that I think the present minister of state would want to leave. That is not the nature of this man. I believe he is a person of goodwill but I think he is being frustrated at the ministerial table. That is most regrettable.

I have said most of the things that have been in my heart with respect to this bill. I thank you very much for the patience to listen.

In my riding I am seeing increased intolerance between racial groups who have come from many parts of this world; from Asia, Africa, the Caribbean, the Middle East, the Far East, from all parts of the globe. They are not getting alone right now, either as newly arrived or as the indigenous population.

This ministry, and this minister, have an incredible challenge for all of us. Together we must ensure that he has the funds, staff, and mandate to see that something concrete and helpful takes place in this country.

Ms. Margaret Mitchell (Vancouver East): Madam Speaker, I would like to ask my good friend a question from her particular area of expertise. Of course, she has many areas of expertise, but I am thinking particularly of communications.

The member knows, I am sure, that one of the major achievements I would hope for the Canadian Multiculturalism Act, and for a new multicultural department and the minister for that department, would be to make the communication networks of Canada multicultural. As various speakers have pointed out today, it is so very important because of the effect of TV, the portrayals on TV and the background staff of TV and radio, and all aspects of the media. I am thinking of a couple of situations that we were concerned about which we mentioned in committee. I do not think the minister intervened to do very much about these situations.

One was the program that she mentioned, *Disparaître*, on Radio Canada that, as she knows only too well, was bordering on racism. The other was the CBC *Crime Connection* program in Vancouver at a time when there was extreme tension around increasing immigration, particularly from Hong Kong. It did a series on Hong Kong and pictured many Chinese Canadians as being connected with crime. That was a kind of stereotyping. It was not deliberate, but it had a tremendous impact and it was very upsetting on both sides of our country.

I wonder what the hon. member could suggest. How would she see the CRTC guidelines tightened up perhaps and, beyond that, much greater leadership and influence from a multiculturalism department and its minister in preventing this kind of negative stereotyping and stimulation of intolerance that very frequently occurs in our media.

Mrs. Finestone: Madam Speaker, I want to thank my colleague. We have had a lot of interesting side trips together on the child care issue and I think we have shared some serious concerns about the future of our country.

I am also pleased to see the Parliamentary Secretary to the Minister of Communications here in the House today because the kinds of questions that I was just asked indicate the fundamental importance of the building of a sense of national unity. As he has said, and I agree, the end goal of national unity can only be reached if there is a sense of national consciousness and a sense of national understanding. The national consciousness and understanding are in the bill. The government forgot the national unity, but it is part of the whole. If we want to live together in unity and in mutual respect, we have to know each other.

One of the problems is portrayal. It is not only the face of the multicultural and the multiracial on the little box which speaks to you. It is also those who are hired behind the scenes to pick the news and to reflect what is important from their country of origin because they understand the issues better than we do. They sensitize us to the international world. They also effectively allow us to know each other from coast to coast and up to the far north. Portrayal is very key.

The hon. member for Port Moody—Coquitlam has brought in some very good amendments, as we have, and, in fact, the government also has with respect to the multicultural and multiracial dimensions of Canada in the bill, including the aboriginal peoples.

We have also brought in the employment equity observations which one of the hon. member's former colleagues, the former member for Broadview—Greenwood, felt very keenly about. She talked about the employment equity situation in the broadcast media—that is radio, television, film and all aspects of cultural properties—with respect to the hiring and view of women in our society.

With respect to racial tolerance, or the intolerance that is being manifested out there, journalistic freedom must be protected at all times. It has to have the right and, in fact, the obligation to portray things as they are. They cannot be forced through change and through misrepresentation. But the more one sees of the illness caused by racism, or any of the isms in our society, then the more the Minister of Multiculturalism must take the

kind of educational and public relations actions that will enable society to speak out when that kind of judgment, or that sick approach comes to the fore. If one does not speak out, then that silence is taken for acceptance, and that is not what one wants. Never does one want the media to change what the reality of today is. We would expect the media to cover it fairly and honestly. Journalistic freedom is very important in this society.

• (1350)

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, of all the times I have risen in the House as a member of the opposition, never before have I wished so dearly that I would not have to be standing here in opposition.

In the matters of multiculturalism and citizenship, I would have hoped that the development of this department was an attempt by the government to take us to the next step of helping us to define what Canada is. It would have been a wonderful thing to stand here and speak without having to make any kind of criticism—opposition, possibly, but in the sense of being able to make what are sometimes called friendly amendments to the proposition before us. Unfortunately, that is not the case and, in spite of the fact that it is not, I am not going to go criticize too much criticism, because that has been well done by other speakers.

I know time is limited and I would like to dwell on some other things with respect to this department in this context.

In this context, let me start this way. I am white, that is rather obvious. If you were to look at the spelling of my name, Madam Speaker, you would probably conclude, and rightly so, that I am an Anglo-Saxon. You could draw some conclusions from that as well. I willingly add that I am also Protestant which makes me a WASP.

In the context of what is going on in our country today, I certainly speak for the members of my Party who say it is inexcusable that organizations in this country are trying so hard to steer their communities towards an English-only approach. I say that as a WASP who cannot accept that. I would also say, being a monolingual White Anglo-Saxon Protestant, in the context of this very thing in Canada today and having had to look at myself within that context, that I would suggest that a lot of the problems from these groups stem from a feeling of arrogance.

As a White Anglo-Saxon Protestant, I do not have to learn another language. Almost all those who have ever come to our country have accommodated to what is essentially my culture. I think that is a tremendously large part of the problem we are facing today. It is unfortunate, and I would say to those who are of British origin: "Smarten up! There is no particular reason why you should feel arrogant. There may be some reasons for you to feel culturally disadvantaged, but there are ways to overcome that as well."

I would hope that there are few in the House and in the nation who do not feel joy, if you will, at the skirl of a Scottish bagpipe, and when you add the drums, you have an added pleasure. Is there anyone in this nation who has not heard a Welsh choir? That is certainly part of my culture. Is there anyone in this nation, particularly those watching who are here today, who would deny the English the tradition of what we are doing at this moment, and what I am doing at this moment?

I would say to those of English origin: "Get involved within your own cultural milieu in your communities. Envelope that which is British and develop a greater appreciation for the other cultures within your community as well."

I know that co-operation among linguistic, ethnic or cultural groups cannot be fostered by law. As a matter of fact, when people are forced into that kind of co-operation, it has the opposite effect and animosities are thereby engendered. As law-makers, it is possible to assist the co-operation which we are aiming toward and of which we are part.

This is the third reading of the bill which establishes the Department of Multiculturalism and Citizenship. A great opportunity has been lost because the government was not willing to envelope some of the suggestions made by the opposition parties. Those suggestions would have gone so much farther toward aiding the evolution of a nation of which we all so proud and of which multiculturalism forms such a great part. The problem is that that did not take place. Now, all we can express is a feeling and a prescience of what we would hope would

either be amendments to this or the next succession to this concept within our nation.

One of the surprises I had as a Member of Parliament was being introduced to Citizenship Court. That prompts me to suggest that the name of the department is reversed. It would have been so much better had it been the department of citizenship and multiculturalism. That is not the case, but a good case can be made for that being what should have occurred.

As a member of Parliament, one of the greatest pleasures I have is going to Citizenship Court. There are three or four different reasons why I find it so pleasurable. The first one reminds me that it was not always possible to be a Canadian citizen. When I was younger, there was no such thing as Canadian citizenship. When I went across the country and entered a different school, the first thing the teacher asked was: "What is your national origin?" Of course, my answer was: "Scots." That is why I referred to the bagpipe first in my references to the wonderful things which have come out of the British Isles in the cultural sense.

• (1400)

The Acting Speaker (Mrs. Champagne): A point of order, the hon. member for Kingston and the Islands.

Mr. Milliken: Madam Speaker, I think there would be a disposition on the part of the House not to see the clock for a few moments to allow the hon. member to complete his remarks. I believe that he is the last speaker on this bill, and we could then dispose of it.

The Acting Speaker (Mrs. Champagne): If the Chair is aware of such an understanding between the parties, she will, of course, not see the clock.

Mr. Fisher: Madam Speaker, I thank the members, and on that basis I will make my remarks shorter.

Briefly, I would like to go through the points that do occur to me in relation to Citizenship Court. Since becoming a member of Parliament, I have thought about being away from Canada. I find that after being out of the country for two or three weeks, I feel something. Originally, I did not realize what it was, and then I understood that it was being away from home. That gave me a far better understanding of what it is to be a Canadian and what being home means.

The fourth thing citizenship and Citizenship Court and my role in Canada brings to mind is my wife. Perhaps that should be the first. However, I think of her because my wife is a naturalized Canadian who came to this country from Germany. Her original nationality was Polish. The vagaries and stupidity of war intervened into the life of that young girl who was born in Poland, causing her to go from one country to another and one citizenship to another. That certainly exemplifies some of the stupidities that occur in this country.

As a Canadian, is there anything more touching than to see those new Canadians, people who have chosen to live in Canada, but at the same time have brought their language, their culture, their wonderful ethnic addition to this country?

I have received a tremendous amount of correspondence from people within my constituency in connection with multiculturalism, and with trying to maintain that mosaic which we are in Canada, decrying the cuts in funding to the schools which operate within our communities. I have received letters from as far away as Edmonton, from the Multicultural Council in Saskatoon, and the Cambodian Association. It is tremendously touching when you hear the way in which they express their concern at the cuts in the funding to these schools. I cannot emphasize it enough. Here are letters from the Norwegian community, the Ukrainian community, the Jewish congregation, and the Hindi School. A special mention should be made of the Jewish Canadians within our community whose synagogue was defaced not that long ago.

I thank all these groups for having sent letters to me, and I am sure many other members of Parliament also received letters.

It is unfortunate that funding to the heritage schools was cut. It is also unfortunate that specific reference to racism was not addressed in the bill. Whether or not it is true, I suspect that racism is at the core of much of the tension functioning within our society today. I can only suggest that there was a lost opportunity in not going the full distance with this department.

The words of the song in the musical *South Pacific* are, "You have to be taught before it is too late, before you are six or seven or eight, to hate all the people your relatives hate. You have to be carefully taught". If it is

true that you have to be taught to hate, it is likely also true that you have to be taught to love.

I would suggest that a tremendous amount of potential has been lost within the formation of this department for helping us as Canadians to love one another more.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Motion agreed to, bill read the third time and passed.

The Acting Speaker (Mrs. Champagne): It being two o'clock the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS—PRIVATE BILLS

[*Translation*]

ACT OF INCORPORATION OF DESJARDINS MUTUAL LIFE ASSURANCE COMPANY

MEASURE TO AMEND

Mr. Gabriel Fontaine (Lévis) moved that Bill S-15, an Act to amend the Act of incorporation of Desjardins Mutual Life Assurance Company, be read the second time and referred to a legislative committee.

Madam Speaker, I am pleased to give you details about the Act to amend the Act of incorporation of Desjardins Mutual Life Assurance Company, and act to permit Desjardins Mutual Life Assurance Company, a federally incorporated company, to be continued as a corporation under the laws of the Province of Quebec.

Bill S-15 is similar to Bill S-5 passed by the Senate on June 29, 1989 to authorize The Safeguard Life Assurance Company, the other life assurance company of the Desjardins Movement, to come under Quebec jurisdiction.

All the organizations or body corporates of the Desjardins Movement operate under Quebec laws, except the Desjardins Mutual Life Assurance Company and its recently acquired subsidiary, Laurier Life Holding Limited which controls Laurier Life Insurance.

Desjardins Mutual Life Assurance Company does most of its business in Quebec. The Desjardins Movement wants to merge Desjardins Mutual Life Assurance Company with La Sauvegarde in order to consolidate its operations in Quebec and thus benefit from potential synergy within the Movement. This initiative was taken in the over-all context of the restructuration of the Desjardins Movement initiated last year.

A change in jurisdiction is necessary since the Canadian and British Insurance Companies Act, which Desjardins Mutual Life Assurance Company now comes under, does not allow mergers with a company under provincial jurisdiction. This change also follows a decision taken at the March 21, 1990 special meeting of the Company's members that was convened specifically to authorize the continuance of Desjardins Mutual Life Assurance Company under Quebec legislation and to introduce a private bill to that effect in the Canadian Parliament.

All members of Desjardins Mutual Life Assurance Company, in other words, all policy holders, were mailed an invitation to this meeting, with a proxy form enabling them to vote. The vast majority of them voted in favour ot the proposal.

The company that will emerge from the merger of Desjardins Mutual Life Assurance Company with La Sauvegarde will become number one in Quebec in the insurance sector.

• (1410)

The government's policy for charter repatriation is to grant such requests from mutual insurance companies unless the policyholders object, which is not the case for Desjardins Mutual Life Assurance. Furthermore, the federal government recognizes that a financial institution's decision to come under one jurisdiction or another at a particular time depends on the amount and kind of business it does and on its plans for expansion.

The federal government wishes to accommodate the desires of financial institutions in this regard. To this end, I move that the House pass this bill and I believe that hon. members would agree to refer it to the finance committee instead of the legislative committee as mentioned in the introduction.

I thank everyone for their co-operation in this matter.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I am proud to support the motion of the hon. member for Lévis (Mr. Fontaine) concerning this Life Assurance Company. We, in the opposition, also agree to his suggestion that this bill be referred to the Standing Committee on Finance instead of a legislative committee. Since the bill will be studied in the finance committee where we will have the opportunity to put forward some ideas and suggestions, I will not pursue the matter any further this afternoon.

[*English*]

Mr. Jim Karpoff (Surrey North): Madam Speaker, I also wish to inform the House that the New Democratic Party supports the bill at second reading and is quite happy to have it referred to the Standing Committee on Finance.

We note that this is the second time this year that the Desjardins group has had to come to this House to ask for special legislation to regroup itself under Quebec law. We are wondering if this is not because of the delay of the federal government in bringing forward a new framework for financial institutions and we are thinking that maybe the other approach is better. Therefore, we are hoping that the finance committee will take this opportunity to look at these factors also.

[*Translation*]

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance.

The Acting Speaker (Mrs. Champagne): The hour provided for the consideration of Private Members' Business has now expired.

It being three o'clock, this House stands adjourned until Monday next, at 1 p.m., pursuant to Standing Order 24(1).

The House adjourned at 2.14 p.m.

HOUSE OF COMMONS

Monday, May 14, 1990

The House met at 1 p.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

BORROWING AUTHORITY ACT, 1990-91

MEASURE TO ENACT

Hon. Harvie Andre (for the Minister of Finance) moved that Bill C-65, an Act to provide borrowing authority, as reported (without amendment) from a legislative committee, be concurred in.

Motion agreed to.

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

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I welcome this opportunity to speak at the third reading stage of an important bill that provides the government with the necessary borrowing authority so that it can proceed with its operations. At this point, I think it would be useful to recall some of the historic and economic highlights of the years since 1984, when the Conservative government was elected.

As you know, one of the government's major initiatives was the economic message tabled by the Minister of Finance in November 1984, in which the government set out its economic policies for the years to come. You will recall, Mr. Speaker, that this message mentioned being competitive, reducing the national debt and of course our annual deficit, and creating jobs. It mentioned opening up our country for trade. Since 1984, the unemployment rate has gone down, and job creation has improved considerably, not only in terms of the number of jobs created but also in terms of their quality. You will recall that before that time, 80 per cent of the jobs created were for a limited term: programs to build or paint fences, clean windows and do general repairs, while 80 per cent of the jobs created by this government since 1984 are permanent jobs. These are jobs where women have their share of the market. This is another innovation that did not exist before 1984.

The economic message of the Minister of Finance mentioned trade. As you know, Mr. Speaker, this government negotiated and finalized the free trade agreement, and in November 1988, Canadians also finalized the free trade issue by electing a majority Tory government, the only party that supported free trade, a matter of vital importance for the future of this country. Without wishing to expand on the free trade debate, I think it is important to point out that in an economy like Canada's, we must have secure access to markets outside Canada. That is what free trade has done, by removing tariff barriers between Canada and the United States.

• (1310)

Mr. Speaker, the free trade agreement was also important because we had to ensure that Canadian companies would be able to export to the United States, without the tariff barriers we have faced, in certain cases, between 1984 and 1988, and I am thinking of cedar shingles and shakes, for instance. Of course, free trade was also an integral part of the economic policies of the Minister of Finance in November 1984. There was the issue of our national debt which, as we all know, was $200 billion in 1984. And that is too much, far to much. In 1984, the annual deficit was $39 billion, which means that in 1984, this government, spent $39 billion more than it collected in revenues. Imagine if a Canadian family, whatever its income, spent $39,000 more than it earned in a year, and that this was added to the $200,000 it had already overspent. This family would definitely go bankrupt.

Since 1984, we have had to apply draconian measures to existing programs, to planned government investment in various areas and to the federal Public Service. We had to make decisions that were not necessarily popular, in order to reduce government spending and thus reduce the annual deficit which had reached alarming propor-

tions, continued to increase each year and unfortunately still continues to add to the national debt.

In 1984, the government spent—forget interest costs for a minute; unfortunately we cannot do that as a rule, but for the purposes of my example, let's leave out interest costs—the government spent $15 billion more that it collected in revenues, and this does not include the interest paid on the debt. The government still spent $15 billion more than the revenues it collected. This year, that same government, again excluding interest payments, will spend 9 billion less than the revenues it collects. This means that after nearly six years, government spending in all areas, whether we are talking about the public service, programs, capital spending or investment—this year, we will spend $9 billion less than what we will collect in of taxes. That is what I call good management.

However, Mr. Speaker, we still have the deficit problem. In fact, why do we have a deficit this year? The deficit exists because we have additional expenses in the form of the interest that must be paid on the debt, and the national debt was the legacy we received from the former Liberal Government in 1984. Since that time, the cumulative debt is the interest that we have to pay on the legacy we received. It is just something we have to live with, Mr. Speaker. I think Canadians are also more aware of the increasing problems created by the rising cost of this debt burden, which will mean that this year, for instance, 35 cents out of every tax dollar will go to pay interest. You can imagine what we could do as a government, with the help of the opposition, if we had those 35 cents per dollar to give to Canadians through various programs. Unfortunately, Mr. Speaker, as you know, we do not have it.

But, again, we are off to a good start. Interest rates and costs hurt the government, as I think everyone would admit, but at least we are managing and spending less money than we take in.

Very often, Mr. Speaker, we hear the opposition say that tax increases explain why the deficit has gone down. That, Mr. Speaker, is absolutely false, and I want to emphasize it. Seventy per cent of deficit reduction is due to government cutbacks and 30 per cent is due to tax increases since 1984. I think that is a fair balance.

Remember 1988, when we reduced the income tax on individuals. I do not remember hearing the opposition talk about that often. Obviously that is good news, Mr. Speaker.

This year we are implementing the goods and services tax, and that is good news. It is good news if it is dealt with honestly and frankly. For 66 years now, we have had a federal sales tax at the manufacturer's level. That means, Mr. Speaker, that no one, no Canadian, sees the rate of this tax and is even aware that he or she is paying this federal tax on most goods and services in the country. For 66 years, this hidden tax has meant that every year, the government collects money without Canadians being aware of it.

We are the only country in the world now that still has a federal sales tax at the manufacturer's level. However, 48 countries have already adopted a consumption tax, whether it is called a VAT or a GST. Mr. Speaker, now more than ever it is time for Canada to take its place as well and implement a progressive, fair and equitable tax system. It is hard to have a tax that is fair and equitable.

The GST meets these criteria. It will replace the present federal sales tax which is bad for Canadian taxpayers and also bad for Canadian businesses. As you know, Mr. Speaker, the federal manufacturer's sales tax favours foreign companies that send goods to Canada because they do not have to pay 13.5 per cent on the goods they produce.

Thus foreign goods have an advantage over goods produced in Canada. You know, Mr. Speaker, that makes no sense. Moreover, when a Canadian producer wants to sell abroad, his costs include a 13.5 per cent manufacturer's tax that no other country in the world has. So when he comes to sell this chair, he has a 13.5 per cent tax in his costs which his competitor in country X, Y or Z does not have. What does this Canadian producer do? He is stuck with his goods; he is unable to sell them because they cost too much.

The goods and services tax will eliminate that situation. It is a 7 per cent consumption tax that will appear on the bill the consumer pays. This means that all Canadians will know what the goods and services tax costs them whenever they spend money on something.

But even more than that, Mr. Speaker, all Canadian families whose income is $30,000 or less will receive a tax credit in advance. That is, in December 1990, the Government of Canada will send a cheque to all Canadian families whose annual income is $30,000 or less. A cheque just so the GST is fair and equitable, just so low-income families are not penalized by the implementation of a new tax. I want to point out that it was the new Conservative government which began to follow this new approach in 1986. It was the new Conservative government which in 1986 first gave a tax credit applicable to the federal sales tax. A higher credit is again given with respect to the GST, and again it goes to families that have a higher income than they did before. Again it is given so as to make the tax system fair and equitable. You will hear opposition members criticize the GST. Mr. Speaker, I dare you to recall a single instance where they came up with a fair and valid monetary alternative for Canadians after criticizing the GST. How easy it is to say that one is against higher taxes, against taxes. That is the easy way out. But this government has responsibilities in connection with the deficit, elderly people, and provincial transfers. The federal government has to collect money to meet its responsibilities and redistribute the wealth. Anyone who is against the GST has to tell me where else the $18 billion will come from so we can meet the needs of Canadians. That is the question. In that respect opposition members are not doing their job when they fail to come up with an alternative and keep saying they are against it.

• (1320)

Again, Mr. Speaker, I look at the riding of Trois-Rivières where competition is fierce among people who sell cars, cakes or what have you. But when a dealer claims his product is better, he explains why it is so and why he sells it. When they talk about the future of the country and say that a measure tabled by the government is no good, if they are a genuine opposition party, they ought to come up with a solution. However, when we hear the opposition talk, no solutions seem to be forthcoming.

Mr. Young (Gloucester): We could invoke the same reasons you gave in 1984.

Mr. Vincent: Mr. Speaker, I am sure the hon. member will be very pleased to comment on my speech later on. I am looking forward to that.

The GST, in addition to being a fair and equitable tax, will favour exports of Canadian businesses and will benefit Canadian businesses that must compete with foreign companies that export goods to Canada. If our Canadian companies produce more, that means they need more workers. If they need more workers, that means more jobs will be created. That is how this government has been running the country since 1984. It all goes back to the economic message the Minister of Finance tabled in November 1984.

About the unemployment rate on the weekend in the riding of Trois-Rivières, it was announced that the unemployment rate had gone down. Why did the unemployment rate go down since 1984? It went down because Canadian companies looked at the government and said: They are working very hard to run the country the way we in the private sector run a business. And when that is the case, people invest. They have confidence in the government, they invest, and that is how jobs are created. You know, Mr. Speaker, we often brag about the fact that the government creates jobs, but basically, it was the good financial climate created by the government that led Canadian businesses to invest and increase the number of jobs in this country. And I am talking about permanent jobs, not part-time, patchwork jobs. I am talking about permanent jobs in lucrative areas, in areas where women also have their share of the labour market.

Mr. Speaker, that was a summary of the highlights of what has happened since 1984, while also situating the importance of this bill in the Canadian economic context.

With your permission, I would also like to mention the deregulation of the energy and transportation industries. I could speak at length about the National Energy Program, which was a disaster for all Canadians, for Western Canadians as well as Quebecers. It was a real disaster, and we had to do a hatchet job on this program, which, I must confess, we did with considerable pleasure.

The same could be said of Investment Canada. In the transportation sector, government decisions were made which helped this sector and helped our Canadian businesses to operate well, to be more competitive, to progress, to make money and to pay their taxes.

We often hear the opposition say there are 50,000 or 60,000—I am not sure how many—companies that don't pay income tax. That is false, Mr. Speaker. That is totally false. All Canadian companies pay income tax. When they do not, the reason is they don't have any tax to pay, Mr. Speaker, and that happens when a company incurs a loss. So of course it will not have to pay income tax. Any Canadian taxpayer who in 1989, for instance, earned $45,000 and in 1990 incurs a loss of $35,000, may apply the loss incurred to a previous year's or the next year's income. This is allowed under the Income Tax Act. And the same applies to companies.

Most of the many companies, if the opposition is to be believed, that do not pay income tax are, in fact, small businesses like the ones in your riding, in Trois-Rivières, or in their ridings, which make a profit one year and lose money the next. We know, Mr. Speaker, that life isn't easy for small businesses. There are some good years, and there are years when business is slow, but the opposition wants us to tax a company that has already lost money!

The companies that make money, Mr. Speaker, pay their taxes, and they have done so since 1986, when we introduced a minimum personal tax. Every single Canadian is paying his fair share of income tax, despite all the tax shelters people can dream up or try to use. Even if they have 18,000 tax shelters, they will still have to pay their fair share of tax because we now have a minimum income tax that this government established, Mr. Speaker, at the same time it abolished the scandalous scientific research tax credits of the former government. It was a scandal. Millions of dollars were wasted, the way this scheme was organized. We put an end to it, Mr. Speaker.

Now if you want to do scientific research, there is no problem. But you still must account for these expenditures in the normal way and not according to the system brought in by former finance minister Lalonde in 1984.

So, getting back to our bill, we must consider the emphasis we have put on things like the Jobs Strategy since 1984. You will recall that before 1984, there were summer programs for students that involved painting fences and sweeping. Mr. Speaker, tell me what post-secondary or university students learned by painting fences in the summer. They learned nothing! Those programs were boondoggles.

• (1330)

Mr. Speaker, we established the Challenge Program which helps students do work that is partly subsidized by the federal government in their future field of activity. Last Friday in my riding, I had the opportunity to take part in the opening for the summer of the student employment centre for the ridings of Trois-Rivières and Champlain and the person in charge of the Challenge Program pointed out the importance of this program whereby students can earn money and learn during the summer about the field in which they will eventually work. The honorary chairman, Mr. Gaulin, a dynamic young man, is in charge of personnel for a company in my riding. He pointed out how good it is for a company during the summer to have one, two, three or five young people with their new expertise and new techniques that they learned during the year. As they earn money, the young people help the company, which also helps them financially, and learn something practical. We all know that universities are wonderful places but are sometimes weak on the practical side. Thanks to the summer program, young people at the end of their university studies will graduate with a diploma and practical experience. Mr. Speaker, that is what the Challenge Program, established in 1985, does and it works very well.

With respect to employment programs, Mr. Speaker, consider job development programs for which applicants are necessarily people who want to learn something new. The organization or the employer that has such a program trains the applicant in a new sector and pays him or her. Of course the federal government is there to help pay part of the costs. This is a productive program prepared and launched under the Conservative government. Before, as I recall, there was the Canada Works program under which people were hired to shovel snow in yards. Mr. Speaker, shoveling snow in yards is hardly the way to acquire a new skill.

An hon. member: It is not a profit-making proposition.

Mr. Vincent: Not a profit-making proposition, as my colleague puts it. Not unlike the Challenge program, the job development program helps our constituents find work and learn something new. In most cases the company or organization which has hired three employees under a job development program and keeps them on the payroll for a while will end up giving a permanent job to one or two of them. That, Mr. Speaker, is an economic strategy which keeps the nation moving

forward. It is the kind of initiative we need in employment, in public financing, in international trade and, above all, here in the House.

In conclusion, Mr. Speaker, I see you are giving me a signal— I see that my colleague is anxious to have the floor.

Mr. Milliken: Your time is unlimited.

Mr. Vincent: Thank you. Mr. Speaker, in 1990, some major changes are taking place, and I think we should be well aware of this. For 66 years, we have had a federal sales tax no one has ever seen, whose existence people were not aware of. I remember when I was studying at the University of Sherbrooke in 1978, where I took a master's degree in tax law, and my professor told the class: We are begging the government on our knees to change this tax, which is a disaster. That was said in 1978 by a well-known professor who belonged to a Quebec accounting firm which now has offices across Canada. This professor said 12 years ago: The federal sales tax is bad for the country. That was 12 years ago, Mr. Speaker. This government got the message. Yes, we are going to change the tax system. Yes, we are going to introduce a new tax called the GST, the goods and services tax, a tax that will be paid by the consumer. That is a major change, and Canadians are worried. They are asking questions. I repeat, Mr. Speaker, when they put their questions to government members, they get good answers. When they put their questions to the opposition, the answers are less than accurate.

I think the opposition has a duty to explain the GST properly, because it should be explained. It is a major change—

Mr. Milliken: It's a disaster!

Mr. Vincent: It is a tax change that will replace a hidden tax of 13.5 per cent with a 7 per cent consumer tax.

Mr. Peterson: It's a disgrace!

Mr. Vincent: All Canadians will see the tax.

Mr. Milliken: All Canadians are opposed to the tax!

Mr. Vincent: Mr. Speaker, I am glad to see the opposition is finally starting to react. I waited thirty-five minutes for them to react, and finally, it worked!

I repeat, the GST has the advantage that Canadians will be able to see this tax. A number of people in the beautiful riding of Trois-Rivières told me: We trust the Conservative Government, and we know you will keep the tax at 7 per cent. But if the Liberals ever come to power, 10 or 15 years from now, they are going to raise the tax to 8, or 9 or 10 per cent. That is what the people of my riding are saying. I tell them no. The great advantage of the GST compared to the federal sales tax is that it is visible. The party in power, whether Conservative or Liberal, will be ashamed to raise it because it will appear on people's bills the next day. That is the guarantee Canadians have that this tax will stay at 7 per cent. It is a visible tax, compared to the other one at 13.5 per cent that no one sees. How much federal sales tax at 13.5 per cent did I pay on that? No idea. No one knows. The same goes for my glass and furniture. Starting January 1, 1991, we will have a visible tax, which will let everyone know what they are paying. Again, there will also be a tax credit.

The opposition cannot challenge the figures published in an article in *La Presse* maybe two or three weeks ago. In it, a journalist explained, for example, that a senior whose annual income is $12,000 will be in a better position with the tax credit for the federal sales tax in 1991 than that person is in 1990 with the present tax. The *La Presse* article has figures to back it up.

The same calculation was done for a single person earning $25,000 a year who has two children. Once again, the figures show that a single-parent family with two children would be in a better position in 1991 than in 1990. They would have more money in their pockets in 1991 with a 7 per cent GST than in 1990 with a 13.5 per cent FST. Mr. Speaker, we must talk about it; we must emphasize it. I think that the opposition members who will speak must also point out that the GST is advantageous for families earning less than $30,000. They will have more money to spend. We must say that. Some sectors of the economy will feel the benefits.

• (1340)

The owner of the Jean Coutu pharmacies whom I met in my riding last weekend, Mr. Speaker, was telling me: "Prices will go down next year with the GST." In the car industry also, big companies like GM and Ford with big money involved and certainly a few accountants looking into that kind of thing full time admit that cars will cost less in 1991 thanks to the GST. The Sears stores said the same thing. The goods they sell will cost less. The same for Canadian Tire. Mr. Speaker, there are nonetheless national chain stores saying: "Yes indeed, consumers will pay less once the new tax is implemented." Some will ask, and rightly so: What guaranty is there that the 13.5 per cent will be taken off? There is always competition, Mr. Speaker.

Domestic economic realities must also be considered. As we remember, when cameras first came onto the market, they cost a fortune. If we wanted a better zoom or some other feature, we needed another part. It cost an arm and a leg. Now, we can walk into any fine store and buy a camera that does everything by itself. At the push of a button, the flash, zoom and everything else work automatically, and the price is a fraction of what it used to be. For example, when color television sets were first sold in Canada 25 years ago, they cost more than today even with inflation factored in because technology is improving every year and competition is everywhere. Today we pay the same price, or even less, for a small color TV as we would have paid 25 years ago for a big one.

The competition is there. It has its place and will make the GST a viable proposition for all Canadian consumers.

[*English*]

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I listened with great interest to my friend from Trois-Rivières as he introduced debate on third reading of Bill C-65, an act to provide borrowing authority.

If the government gets the agreement of the House on this bill, it will give the government authority to borrow up to $25.5 billion during this fiscal year, 1990-91.

I would like to respond to two or three points raised by my friend from Trois-Rivières. He started by saying that he was going to give us some of the historical background. He ought to have said, I submit, that he was going to give some historical background—I believe he has a new speech coming on. Did the member want to intervene?

Mr. Vincent: I was wondering if you were going until 2 p.m.

Mr. Simmons: Mr. Speaker, the member from Trois-Rivières was saying he would give us some historical background. I thought he should have qualified that by indicating that it was very much his version of history or, more to the point, the version written for him by whoever writes those marvellous pieces that those parliamentary secretaries get up and read. It is well read, I say to him, very well read although I am not sure I would stake my reputation on it, if I were him. He reminded us that when the government took office in September 1984 one of its undertakings was to reduce the national debt. The government did a marvellous job of that, an absolutely marvellous job of reducing the national debt. Indeed, if we go back and look at the national debt as it was in September 1984, or during the fiscal year when the government took over, we will find that it was in the order of $150 billion or $160 billion. I have the figure here somewhere. It was $170 billion when the government took over in September 1984.

We understand, according to the Minister of Finance then and now and according to the gentleman from Trois-Rivières, that the undertaking was to reduce the national debt. The government reduced it all right, I say to him. He should have a talk to his speech writer. The government reduced it all the way from $170 billion down to $360 billion. How is that for reducing? That is a new definition of reduction. The government has more than doubled that national debt in six years.

Mr. Milliken: They pretend to deny it.

Mrs. Browes: Look who started it.

Mr. Simmons: That is another issue altogether, I say to my friend, the hon. member for Scarborough Centre who says: "Look who started it." It does not take a lot of brains to figure out that if I stand here and acknowledge that the debt was $170 billion when this government took over, then obviously it must have been started and contributed to by some previous governments. I congratulate her on an absolutely brilliant insight. I remind her that, yes, other governments did have a part in that, including the government led by her good friend and colleague, the Secretary of State for External Affairs, the right hon. member for Yellowhead. He had a part in

contributing to that deficit. She should do her homework on that point.

The problem with yelling across the corridor is that she sometimes puts her foot in it. That is the danger, but I am sure she did not realize that. She has been taught by the gentleman from Baie Comeau that those big bad Liberals had done everything and she forgot that there was an interregnum between May 1979 and February 1980 when we actually had a government led by the gentleman from Yellowhead.

Mr. Peterson: A sad day for Canada.

Mr. Simmons: My friend, the hon. for Willowdale, says that was a sad day for Canada. I say to him, with respect, that everything is relative. It was not nearly as sad a day for Canada as the current administration represents a sad nightmare for Canada over many, many days, unfortunately.

The hon. member for Trois-Rivières on the first point has struck out completely. In so doing he has misled the House, not deliberately, but he has inadvertently misled the House. He talks about how this government has reduced the national debt, while the public accounts of this country will clearly demonstrate that during the stewardship of this government alone, from September 1984 until now, May 1990, or the end of the fiscal year, March 31, 1990, the public debt has gone from $170 billion up to $360 billion.

Mrs. Anderson: The compound interest is high.

Mr. Simmons: Oh, here we are. Sometimes I am too uncharitable toward my friends on the other side, particularly the hon. member for Simcoe Centre. She has put her finger on another key issue in this whole debate. She talks about compound interest and, by inference, she talks about interest rates. She is absolutely right. If she would talk to her friend and colleague, the Minister of Finance, and persuade him to do now what he said we ought to do when he was in the opposition, that is persuade him to get interest rates down, I would be the first to agree with her that the interest on the debt would be less, the compound interest on the debt would be far less. If she wants to make a contribution to this debate, she can do it, not only in debate but behind the curtains. She can talk to the Minister of Finance and tell him to beat some sense into that fellow, John Crow, who is keeping rates not only sky high but a full 5.5 points higher than the American rates. There is no justification for it whatsoever.

Mrs. Anderson: Inflation.

Mr Simmons: Oh, she mutters "inflation". Tell me about unemployment: Does she know that John Crow and, by inference, the Minister of Finance have a hidden agenda that says we have to drive the unemployment rate in this country higher, up to 8 per cent, because "that will get our inflation down to zero", they say.

• (1350)

Inflation is important but employment is also important. I do not buy the line—and I do not believe that the member for Simcoe Centre buys the line either—

An hon. member: No, she doesn't.

Mr. Simmons: —that we must have interest rates as high as they are. I do not believe she believes that. Her constituents are watching and on her behalf, since I have the floor, I can tell them whether or not she agrees with that. I gather the jury is still out on that point and she is still making up her mind as to whether or not she supports the high interest rate policy of this government.

An hon. member: No, she doesn't.

Mrs. Anderson: My constituents are doing very well, extremely well.

Mr. Simmons: Anything else now? Don't be shy, don't be shy.

The member says that the people in her riding are doing very well. That wasn't quite the question I put to her. I wanted to know whether her interjection here in this debate, a welcome interjection I may say, meant that she was supportive of the high interest rate policy of this government or opposed to it.

Mrs. Anderson: Nobody likes high interest rates, but we're doing the best we can.

Mr. Simmons: I will say to her constituents who can't see her but should be allowed to hear her—I will speak for her—that basically she is doing one absolutely

marvellous job of skating at this present moment; she is for and agin it. She wants to have her cake and eat it too.

The gentleman from Trois-Rivières also gave us of his wisdom on job creation and how this government had got us away from painting cemetery fences and that kind of thing. I will tell you something else it got us away from. It got us away from building wharfs and slip ways in fishing communities along the south coast of Newfoundland. It got us away from providing needed infrastructure in the fishing industry that was most beneficial in helping fishermen pursue their trade—slip ways on which to pull up their boats, wharfs to tie their boats to, stages on which to split and clean their fish.

Those people who want to knock the short-term job creation programs are very selective in how they characterize them. They always pick the painting of the cemetery fence. Yes, that was done under some of those programs, but what was done much more often under those programs—and therefore he ought not to be maligning those programs—is that good infrastructure was put in place such as wharfs and slip ways. I could mention health clinics. I could mention a Girl Guide camp in one part of my riding, a place called Jean de Baie. It is a regional Girl Guide facility used literally by thousands of Girl Guides every summer. It was built under job creation.

We could go to Marystown and see the fire tower which was built to train firemen from all over eastern Newfoundland in emergency procedures. However he chooses, instead, to talk about painting cemetery fences. I say to him that he ought not to knock what was a program that served rural people particularly very well. It served them a lot better than the present charade is serving them, where they are told they can get job creation money provided they will agree to be retrained. That is the magic word now: retrained.

Nobody in his right mind in any community in this country is against retraining, but we have to look at it in the context of some small communities in Atlantic Canada. I will pick one because it has been much in the news lately: the community of Gaultois which is in my riding on the south coast of Newfoundland. It is one community on an island called Long Island. There is no road connection from the island to the mainland of Newfoundland. My good friend, the hon. member for Willowdale, and I visited the community of Gaultois in the last week or so. He saw, as I have seen for many years, the industry of those people. We watched them in a plant pursuing a skill that they had acquired, refined, and improved over a lifetime.

The government says that they ought to retrain. For what do you retrain people in the community of Gaultois? That is not to be condescending; it is to underline the point that those people already possess any training, any skills that they need to survive in that community. Whether it is the skill to split and clean fish or to catch fish, carpentry skills, welding skills, homemakers' skills or secretarial skills, the skills which are needed in that community are there in abundance.

Retraining in that context, in the context of the government's program, is a code word for forced resettlement. These people will have to pack their suitcases, pick up their bags, leave their homes, leave their loved ones, and go off to urban Canada.

I am looking forward to hearing the remarks of the hon. member for Simcoe Centre. She is just bursting with ideas today and as soon as I am through sometime today, tomorrow, or Wednesday—whenever I get through here—I hope she will get up and tell us her concerns about this particular bill that would have the government borrow $25.5 billion, but I digress.

I was responding to some of the points made by the parliamentary secretary, the hon. member for Trois-Rivières. He also said that this government, the government of which he is a supporter, had opened up the country to trade interests. I would say that is putting it rather charitably. Opening up the country to trade interests is a very charitable way of stating what has happened. I would put it more bluntly and to the point: that it has sold out the country to certain interests.

One only has to look at the government's sweetheart deal with American Express, with Amex, to realize that one has to be a foreigner to get a deal with this government, either a foreigner or on a very short list of people who funded the Tory campaign in the last federal election. I say a short list because it did not take a very long list; if they are all throwing in money up in the millions, it does not take many contributors to fund a campaign.

I wanted to say, in response to the gentleman from Trois-Rivières, that he should be a little more candid when he is talking about what this government has done in terms of trade interest. I say to him that beyond opening up the country it has sold out, particularly to

American interests. That is a theme that I would pursue if I had the time.

Some hon. members: Oh, oh!

Mr. Simmons: I know the hon. member for Edmonton Southwest does not concur with my views, but that does not detract from my right to express them. Actually there are a few over there who do not agree with my views. That is the difference between us; they are on that side and we are on this side.

An hon. member: *Vive la différence.*

Mr. Simmons: *Vive la différence.*

The hon. member for Trois-Rivières also talked about what they had done to improve unemployment insurance. I hope the 170,000 recipients of UI who are going to be cut off at the knees out across this country heard that statement, because they had thought otherwise. They had thought that the UI changes were anything but an improvement. However I sense today either a misrepresentation by the gentleman from Trois-Rivières or a change of heart when he tells us that the government has improved the unemployment insurance.

The Acting Speaker (Mr. Paproski): It being two o'clock, the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

MEMORIAL CUP

Mr. Ross Stevenson (Durham): Mr. Speaker, I am sure the House will wish to join in recognizing the Oshawa Generals as a great team of champions for their thrilling Memorial Cup victory yesterday.

Though the Generals always enjoy an outstanding reputation on the ice, this is the first time they have won the Junior A championship since 1944. Their win was most convincing. The Generals are the first team to be undefeated through the round robin play-offs.

The Generals have brought great pride and pleasure to citizens of Oshawa and the Durham region. Our heartiest congratulations to all members of this supreme hockey team; to their coach, Rick Cornacchia, managers

Frank Jay and Scott Clark; and to the Oshawa Generals president, John Humphreys.

* * *

STATUS OF WOMEN

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, since 1972 each successive federal government has shown its concern for women's issues by meeting with representatives from the National Action Committee on the Status of Women. These annual meetings provide an opportunity for both NAC members and cabinet to openly discuss issues that affect all Canadian families.

The government may not always have agreed with what NAC had to say and NAC may not always have liked the way government was conducting business, but at least the lines of communication were left open. This policy has now changed. The government has now shown its contempt for women's concerns by refusing to meet publicly with the representatives of the more than 500 organizations with memberships of over three million. It has sent a clear signal to women that their concerns are not high on the Tory agenda.

This government has slashed support programs, threatened to close women's centres, ignored the day care crisis and has now turned its back on the NAC spokespersons. It is time that this government remembered that its mandate also included public accountability.

* * *

NATIVE AWARENESS WEEK

Mr. Doug Fee (Red Deer): Mr. Speaker, yesterday at Rocky Mountain House Historic Park, I was privileged to join with elected provincial and municipal politicians, along with Chief Tom Bigchild and Chief Caroline Beaverbones from the Sunchild and O'Chiese reserves to officially recognize Native Awareness Week in the province of Alberta.

Chief Caroline spoke quietly and eloquently as she, on Mother's Day, told of her pride in her children and grandchildren and her equally strong pride in her heritage.

We all spoke on the need to foster tolerance and understanding, and of the need to be proud of our heritage and our country.

The young people from the Sunchild, O'Chiese and Bighorn Reserves provided examples of that pride in art, poems and song.

My compliments go to the organizers from the Rocky Mountain House Native Friendship Centre and the parks staff who provided an opportunity for natives and non-natives to further appreciate the culture and contribution of native Canadians.

* * *

NATIONAL TOURISM WEEK

Mr. Bob Wood (Nipissing): Mr. Speaker, today marks the beginning of National Tourism Awareness Week and I invite all Canadians to participate in events designed to heighten our awareness of this critical industry.

Not many people know how important tourism is to the Canadian economy. It is our third largest industry at $25 billion per year, our second largest earner of foreign exchange at $7 billion, and it contributes $11 billion in tax revenues to government. It provides employment to all regions of Canada and to all segments of the labour force. In fact, 632,000 people, or 10 per cent of the labour force, derive their living from tourism.

In the near north alone, which includes my riding of Nipissing, tourism generates $200 million annually and $1 billion across all of northern Ontario. Yet this government continues to neglect this key industry. At a time when competition for the world travel market is intensifying, we should not be tacking on an additional 7 per cent to the cost of our tourism products. Indeed, when the government sees fit to slash the tourism promotion budget from $35 million to $20 million, we have to question its commitment to this vital industry which will be the world's largest by the next decade.

* * *

STATUS OF WOMEN

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, although the government is always ready to meet with its corporate friends, it has once again refused to meet with the National Action Committee on the Status of Women.

Were the government listening, it would hear a reasoned voice on the subject of peace and disarmament. Women have been at the forefront of the peace movement. Agnes Macphail, the first women MP and a member of my party, worked tirelessly for the cause of peace and international co-operation. New Democrats are proud to continue that tradition.

The NDP has been speaking out about the considerable economic advantages of peace and disarmament. Savings in defence spending will produce what has been called a peace dividend. Canadian women are demanding that these funds be used to promote improvements in the human condition. The peace dividend can and must be part of a fundamental restructuring of global priorities. Much can be achieved in the current political climate. What is required is leadership.

The time is long overdue for a complete and progressive update of our foreign and defence policy. When will this government listen to the voice of women?

* * *

MEECH LAKE ACCORD

Mr. Ross Belsher (Parliamentary Secretary to Minister of Transport): Mr. Speaker, ten years ago today then Prime Minister Pierre Trudeau, at the height of the referendum debate, told a gathering in Montreal's Paul Sauvé Arena that a "no" vote would lead to a renewal of federalism. The majority of Quebecers who voted no, and in fact the rest of Canada, believed that this renewed federalism would involve all provinces, including Quebec.

As we all know, in 1982 Canada patriated her Constitution. Mr. Trudeau affected a renewal of federalism. The problem was and still is that Quebec was left out.

In 1987, the Prime Minister joined all ten Premiers in drafting the Meech Lake Constitutional Accord. This accord fulfilled the promise of renewed federalism, unkept for seven years.

Ten years have passed since Quebec voted yes to Canada. Ten years have passed with Quebec out in the constitutional cold. Ten weeks have passed since I encouraged Canada's 11 First Ministers to reconsider their positions and find a way around the constitutional impasse that we now face.

There are now five weeks left to Meech. All Canadians are counting down to Meech. All Canadians are counting on Canada's First Ministers.

* * *

JUSTICE

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, I want to use the next minute to implore the Minister of Justice to get a move on in the David Milgaard case.

David Milgaard has been in jail for 21 years for a murder he says he never committed and there is now serious doubt as to his guilt. Even the RCMP are interviewing a suspect in the case.

Despite the fact that the Department of Justice was asked more than a year ago to reopen the case, the file has yet to reach the desk of the minister. Why? What is behind this procrastination? Is it sloth? Is it indifference? Is it hubris? Is it the desire to protect the reputations of certain individuals?

Whatever the reason, it is now time for the Minister of Justice to act on the David Milgaard case, for justice delayed is justice denied.

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STANDING COMMITTEE ON CONSUMER AND CORPORATE AFFAIRS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I rise today to inform the House of a significant development with respect to the Standing Committee on Consumer and Corporate Affairs. That committee, last Thursday, sent a summons to the Canadian Union of Public Employees indicating the union is an important witness in our study of the economic effects of the GST. CUPE President Jeff Rose has now responded saying he will appear before the committee next Tuesday evening.

This is an example of responsible leadership. Mr. Rose and I may disagree fundamentally on a number of issues but I would like to hold Mr. Rose up as a model of a responsible labour leader in this country and I urge every other labour leader in the country to be as responsible. I hope Shirley Carr is listening.

S. O. 31

OFFICIAL LANGUAGES

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, last February 15 I made some comments in this House concerning the finance ministry's provision of brochures, in one official language only, to residents of my riding concerning the goods and services tax. On May 1, I again received a letter from a constituent complaining that he had received government information concerning the GST in one language only.

[*Translation*]

The same problem also occurred throughout the Acadian peninsula where a number of people received a GST English-only publication from the Government of Canada.

I have to remind the Minister of Finance that the residents of the riding of Restigouche—Chaleur are bilingual and that New Brunswick is the only officially bilingual province in Canada.

My constituents expect bilingual services and the government must see to it that they do.

How much longer must New Brunswickers wait until the federal government offers them services in both official languages?

* * *

[*English*]

ANTI-SEMITISM

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, Canadians are sickened at the barbarous desecration of Jewish graves and the mutilation of a corpse that occurred last week in France which stimulated similar incidents over the weekend.

• (1410)

Parliamentarians and all persons who respect human rights and abhor racism join with Jews to lament and protest such anti-Semitic acts which create fear of another holocaust and bring shame on us all.

As Canadians we must not be complacent. In 1987, B'Nai Brith recorded a 57 per cent rise in acts of bigotry against the Jewish communities. In Toronto alone there were 39 reports of harassment of Jews. Six desecrations

of Canadian synagogues occurred. In the Ottawa area, swastikas were painted at the scene of a golf course.

I am ashamed that the Premier of British Columbia condones a "Christian only" policy in his party and even made anti-Jewish jokes.

Many of these acts are blamed on neo-Nazi skinheads who are recruiting young Canadians.

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[*Translation*]

MEECH LAKE ACCORD

Mr. Yvon Côté (Richmond—Wolfe): Mr. Speaker, it has been over ten years since the majority of Quebecers voted no in the referendum after what was described as a major and memorable intervention by former Prime Minister of Canada Pierre Trudeau. He did assure them that no meant yes to renewed federalism, and I quote: If the answer to the referendum question is no, we all said that the no will be interpreted as a mandate to change the Constitution and renew federalism.

But after patriating the Constitution in 1982 without the agreement of Quebec, Mr. Speaker, the former Prime Minister reneged on his promise.

This is why I consider that the current Meech Lake Accord is the obvious sign of the fairness and efficiency of the constitutional program and objectives of the Prime Minister of Canada. I for one hope that he will be able to win the faith and good will of all Canadians.

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[*English*]

MOTHER'S DAY

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, yesterday was Mother's Day 1990. Canadians celebrate this day to show reverence to all mothers and to appreciate the sacrifices they endure for their children throughout their living years.

Lest we forget, let me quote a few lines from Susan Kastner's reflections in "Mother has Reason to Weep" which appeared in yesterday's *Toronto Star*.

> There are mothers weeping over children who have disappeared—; who weep while they hold their starving children in their laps; —who weep for daughters and sons—sold into prostitution to get the family a little to eat; —who weep because their young are being murdered by drugs; —who weep because their children will grow up paying forever for the colour of their skin; —who weep for children sent to war; there are mothers who weep because there are no jobs for their men or for themselves, and the future holds no prospect of jobs for their children.

Yes, mothers continue to think of their children and men. We in Parliament should think always of all mothers and of those for whom they weep.

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STATUS OF WOMEN

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, it has become obvious to even the most casual observer that the priorities of this government are misplaced.

The Minister responsible for the Status of Women and her colleague, the Secretary of State, are making much of the reinstated funding for women's centres, but this action betrays the shallowness of this government's commitment to women in Canada.

Bill C-69 will limit funding transfers for child care, for shelter for battered women, for income support. That is the Tory commitment to women and children in this country.

Women and their children are the victims of this government's misplaced priorities. It has cut the Canada Assistance Plan, it has cut UI coverage, it has clawed back old age pensions and it has clawed back family allowance. This government has no commitment to women's equity. It has no commitment to children. Its priorities are misplaced and wrongheaded and Canadian women will neither forgive nor forget this government for its insistent attack upon them.

ORAL QUESTION PERIOD

[*English*]

STATUS OF WOMEN

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, I have a question for the Acting Prime Minister. This morning I and other members of the Official Opposition met in an open and constructive public dialogue with members of the National Action Committee on the Status of Women, a widely based group

representing more than 500 organizations representing hundreds and thousands of Canadian women.

The government, in a failed attempt to control the agenda of women, refused to take part in a similar session, preferring instead to try to allow only a handful of NAC members to meet with only three ministers in closed-door sessions.

Why did the government refuse to take part in this important public dialogue with NAC delegates today? What has it got to hide? Why is it so ashamed of its record when it comes to fighting for the rights of women?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, the government's record with respect to women in this country is second to none and you are very familiar with our advances. We meet with representatives of women's organizations on an ongoing basis. We had hoped to have the opportunity to meet with representatives of NAC this morning. In fact, the executive had agreed to do so, but I understand the general membership decided not to proceed.

I will continue to look for opportunities to have constructive dialogue with representatives of NAC and with other women's organizations, where both sides can tell their story and both sides can listen.

We have entered into those kinds of discussions with groups such as the National Council of Women of Canada, the Canadian Federation of Business and Professional Women, the Canadian Federation of University Women, and the Canadian Catholic Women's League. I look forward to opportunities of meeting with representatives of NAC during the coming year hopefully to build a constructive, positive relationship.

[*Translation*]

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the minister's answer was certainly not clear and convincing. Why did the government refuse to hold a public meeting? Why was there only a closed-door session, in which only the three women in cabinet met the representatives of this important group?

I repeat, why didn't the government organize public meetings including the Minister of National Health and Welfare and the Secretary of State, two ministers who play a key role in developing policies concerning women? Why didn't the government organize a public meeting with all delegates of the National Action Committee, like the opposition did?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as I have already indicated, it is our feeling that a public meeting is not productive unless there is a full opportunity for both sides to tell their story and for both sides to listen.

The Minister of National Health and Welfare recently met with representatives of NAC and is away from Ottawa today. The Secretary of State is also away from Ottawa. He has indicated he would be prepared to meet with representatives of NAC at a mutually acceptable date later this month.

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PUBLIC SERVICE

Hon. Herb Gray (Leader of the Opposition): Mr. Speaker, the opposition parties found it possible to be present today. Furthermore, they found it possible to have a dialogue with the representatives of NAC.

I want to turn to a specific case of lack of concern by the government for the rights of women. I am talking about the case of Mary Pitawanakwat. She was fired by the government two years after she complained of facing sexual and racial harassment in her job as a social development officer with the federal Department of Secretary of State.

Why has the government been attempting to obtain a Federal Court order to block her efforts to have the Canadian Human Rights Tribunal deal with her complaints on their merits? Will the government drop these efforts and allow the commission to get on with the job of ruling on these complaints on their merits?

Does the government not realize that, if it continues with these efforts to block this case being heard, it is in direct contradiction with its own national campaign against racial discrimination and for the promotion of affirmative action for the rights of women and natives?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I know that case is before my colleagues for consideration. I met Mary a few weeks ago. I am sure

that they will be taking that issue under consideration. I have nothing further to report on it today.

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ROYAL COMMISSION ON REPRODUCTIVE TECHNOLOGIES

Ms. Mary Clancy (Halifax): Mr. Speaker, in the absence of the Prime Minister, I will direct my question to the Acting Prime Minister. It is with regard to the Royal Commission on Reproductive Technologies.

This Royal commission is due to report in October of 1991 and hundreds of groups, women and men, nation-wide, want to contribute to this process.

• (1420)

Can the Acting Prime Minister tell Canadians that the process will start immediately, or is this just another example of the government stifling debate, particularly when it relates to women's issues?

Mr. Andre: We set it up.

Ms. Clancy: You set it up, Harvey, but let's get it moving.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, we discussed this in committee last week. I am pleased to inform the hon. member that that commission is proceeding. It is hiring its staff. It is preparing for hearings which, I understand, will be held this fall throughout the country.

As I am sure the hon. member is aware, once a Royal commission is established, it is the author of its own destiny. I am sure that its work will proceed and it will be able to bring forward recommendations which will stand in the interest of both men and women in this vital area for the future.

Ms. Mary Clancy (Halifax): Mr. Speaker, Canadian women are, to say the least, disillusioned by the government's failure to restore funding to eight major research groups in the country. The Royal commission, in spite of the good words that we hear, is still not on the road.

Will the Acting Prime Minister show that the government is committed to research and development, and restore funding to these research groups? Will someone announce the royal commission's timetable?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I have been advised that the royal commission is planning its hearings. I am meeting with some of their people in the near future.

I cannot assure the member that there will be any changes with respect to funding. The Secretary of State has had to have funding cuts, as have all government departments, in order that we can proceed with deficit reduction and ensure that our economy is moving ahead. That will absolutely be the most important issue for women in the future.

I have met with representatives of these organizations. The Secretary of State has met with their representatives to work with them to find alternative sources of funding in order that they continue with the good work that they undertake.

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STATUS OF WOMEN

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister responsible for the Status of Women. The largest women's group in Canada, representing five million women, had asked to meet with all three political parties today. The government and the minister responsible for the Status of Women refused to do so.

The government meets with business groups and that is reported on publicly. It meets with the corporate sector and that is reported on. The government travels around the world and meets with other governments, and that is reported publicly.

Even if her colleagues will not, why will the Minister responsible for the Status of Women not meet with the National Action Committee representing five million women? Why does she not have the courage to say: "I will meet with you in public. I will be accountable for my government's policies"?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as I am sure the hon. member is aware, I did offer to meet with its representatives to enter into a

dialogue on what I believe would be a constructive way of approaching these issues.

I am also, of course, prepared to meet with women's organizations across the country and speak to their annual meetings upon invitation. I will continue to do so, including, of course, with NAC upon an invitation that might be extended to me.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, the minister knows full well that the question is, why she will not meet in public.

I want to raise again with the Minister responsible for the Status of Women an all-party report from 1987 called *Fairness in Funding*. It is a report endorsed by her party.

The report states that funding for women's programs should "at least be maintained and indexed to a cost of living allowance". This report also endorsed increased funding for women's programs. It also endorsed considering increased funding for northern and rural women's programs.

How can the Minister responsible for the Status of Women meet her mandate? How can she stand there and say she will not meet publicly with women's groups? Will she again confirm her endorsement of these principles, as her party did in 1987?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as I have already indicated, I am willing and prepared. I think I have met with representatives of some 40 women's groups across the country over two months, in nine of the ten provinces and in one of the territories. I will continue to do that. I will listen to their concerns and encourage my colleagues to enter into constructive dialogue and effective lobbying in order that we can further women's equality in the country.

The Women's Program of the Secretary of State, of course, undertakes valuable work but that program, like all programs of government, must recognize that we are in a period of financial restraint and we all must share in that restraint.

However, on the other hand, I think it is important to recognize that the work that has been undertaken by my colleagues in Health and Welfare and in Employment and Immigration. They are funding a wide variety of activities to further women's equality through the Canadian Jobs Strategy program and the family violence prevention program.

The holistic approach of the government to support women in their various activities is a growing and expanding role and the results, we are going to ensure, will be the furtherance of social, legal and economic equality for women in the country.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I would like to assure the Minister responsible for the Status of Women that, unlike sometimes in Question Period, it is possible to have a dialogue with the women of Canada. We had a dialogue with the National Action Committee today. This minister can have one too.

[*Translation*]

Mr. Speaker, my last question is directed to the same minister. In December, all women, in Quebec and across Canada, were horrified when fourteen young women lost their lives, murdered by a man who had a grudge against feminists. The minister must give a clear response to all Canadians who are trying to understand.

Will she order a public inquiry on this tragedy and on violence against women in society?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, the incident in Montreal was a tragedy of proportions beyond, perhaps, the ability of any of us to truly understand.

The issue of violence against women is probably my top priority. The government must look further into the causes and prevention, and try to deal with this problem in an effective way.
I will be working with my colleagues and other colleagues in women's organizations across the country to help us find answers to this really dreadful problem in our society.

A royal commission on that particular incident would not be within the prerogative of the federal government. I think our approach should be to start to address the root problems of violence against women and also, of course, to support women who find themselves in situations of abuse, to provide protection for them and to deal with this problem from a holistic approach as well.

[*Translation*]

VISIBLE MINORITIES

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, my question is directed to the Minister responsible for Multiculturalism and Citizenship, and in his absence, I would ask the Acting Prime Minister to respond.

At the meeting of the standing committee last week, the minister was unable to justify his failure to hire representatives of visible minorities, especially women. Today, could the minister give us his reasons and tell us when he intends to remedy a situation that has become unacceptable and intolerable?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, in response to the hon. member's question, we have been making considerable progress in recent years as far as visible minorities are concerned. Although we would like to do more, the objectives set for 1991 show an increase of 3.8 per cent in minority representation in the Public service, compared with 3 per cent in 1989. I may add that the departments are committed to meeting these objectives.

Regarding women's employment in the Public Service, Mr. Speaker, I think we have worked very hard in this area during the past years. In fact, I can inform the hon. member that in all categories— including management, scientific and professional, and administrative—there has been a major increase in the percentage of women's participation, compared with the situation in 1984 when this government was elected.

[*English*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Mr. Speaker, I would like to remind the hon. minister that this does not answer the problems, the double-whammy that visible minority women face.

• (1430)

[*Translation*]

My supplementary question is for the President of the Treasury Board.

The latest report on the Employment Equity Act clearly shows that the government is slow to act in this area, despite your figures. When will the government amend the Act in order to increase the number of women in key positions in the Public Service and when can we expect concrete results?

Hon. Robert de Cotret (President of the Treasury Board): Mr. Speaker, concerning key positions in the Public Service, I would like to remind my hon. colleague that the proportion of women appointed to positions by Order in Council—ambassadorial positions, and so on—has increased as never before in the history of this country.

I would also like to tell my hon. colleague that the management category, for example, which is the most important one in the Public Service, was only 7 per cent female in 1984. This proportion increased from 7 per cent in 1984 to 13.6 per cent in 1989. We doubled it, Mr. Speaker. We are continuing, we are not stopping there.

* * *

[*English*]

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Acting Prime Minister and concerns the desperate financial situation facing western prairie farmers.

Six weeks has passed since the government promised to take some action with regard to the financial crunch facing prairie farmers. Now that the western premiers have adopted a common front saying they simply cannot afford to cost share any supplementary assistance to farmers because the government has cut off or reduced their transfer payments, how long will the government continue to stonewall western farmers on these payments, payments that were needed weeks ago and are due now?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, this government has never in history stonewalled farmers.

There is a meeting taking place at the present time in Winnipeg dealing with this special problem. The Minister of Agriculture and the Minister of State for Grains and Oilseeds are meeting at the present time with the ministers of agriculture of the three provinces to formalize and, hopefully, to finalize an agreement with those provinces.

We are hopeful that we can be successful. If we all work together, I am sure we can be.

Mr. Maurice Foster (Algoma): Mr. Speaker, meetings like this have been going on for six weeks now. Is the parliamentary secretary aware that credit is simply drying up for farmers on the prairies?

With wheat prices down by $30 a tonne and with interest rates up above 15 per cent, farmers simply cannot get credit. In light of the parliamentary secretary's comments, can he assure western agriculture producers that cheques will be sent out before the end of this month? When will payments be made to these producers?

Mr. Murray Cardiff (Parliamentary Secretary to Deputy Prime Minister, President of the Privy Council and Minister of Agriculture): Mr. Speaker, it would be very premature to make any indication of that when a meeting is taking place today.

The Minister of Agriculture has indicated that he is very flexible in terms of matching funds that the provinces can make available to match the $500 million that the federal government has put up.

As I said before, it would be very premature to make any announcement today while the ministers are meeting.

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CANADA ASSISTANCE PLAN

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the Minister responsible for the Status of Women answered the leader of the New Democratic Party by saying that violence against women was her "top priority". I certainly wish that this matter would become the top priority of the government.

If this is her top priority, and if it is any kind of a priority for her government, why did the government put a cap on the Canada Assistance Plan? This is the federal-provincial funding mechanism for shelters for battered women. Why is their a cap on CAP?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I am the minister responsible for the Canada Assistance Plan. I can indicate to the hon. member, as most members of the House of Commons recognize, it is important that the federal government have controls on federal spending.

The one area which has not been controlled up until now has been transfers to the provinces which have been increasing at the rate of 6 per cent per annum. The caps apply only to the wealthy provinces.

In the case of Ontario the cap on transfers on EPF and the Canada Assistance Plan amount to less than 1 per cent of the revenues of the Ontario government for this year. It is absolutely possible for the Ontario government, as it is for other provinces, to find money for family violence or any other area of importance to them.

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the women who are battered in the province of British Columbia and the women who are subject to abuse in Ontario and Alberta are just as battered and just as bruised as any of the women in any other part of this country.

When are we going to see the government take this situation seriously? When are we going to see real dollars and a real plan of effective action to combat violence against women in our society?

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, first, the hon. member mentions British Columbia. The cap on CAP amounts to 5 per cent growth per annum, which is permitted for every province. British Columbia did not meet that target last year and likely will not this year. Thus the cap probably will not affect that province.

Second, the commitment to doing everything we can to fight family violence remains. We are determined to do that. We have committed money specifically to family violence programs, quite outside of the Canada Assistance Plan. We are going to continue to do that.

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[*Translation*]

FISHERIES

Mr. Fernand Robichaud (Beauséjour): Mr. Speaker, my question is addressed to the minister responsible for fisheries. Last week, the Minister of Fisheries and Oceans announced a fisheries adjustment program that is far from meeting the needs of the regions concerned. Besides overlooking many communities, it makes no mention of fishermen in Quebec, New Brunswick and Prince Edward Island.

Can the minister tell us why the government completely forgot about the fishermen in these provinces? Or maybe the government still believes, as does the Prime Minister, that all these people seem to be happy and doing fine?

[*English*]

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman should know that the program announced a week ago today by the Minister of Fisheries and Oceans is the Atlantic Fisheries Adjustment Program. It certainly applies to New Brunswick, Prince Edward Island, Newfoundland and Labrador, and Nova Scotia.

With respect to the province of Quebec, the Minister of Fisheries is prepared to discuss with the province of Quebec whatever program may be particularly needed in that province.

In addition, this program concentrates on the problems of the fishery, particularly with respect to the offshore and in connection with the total allowable catches that were recommended as a result of scientific advice and the interim report of the Harris committee this year.

The inshore fishery with particular reference to Newfoundland and Labrador has not been affected in so far as total allowable catches go because the allowance remains at 115,000 tonnes this year. If the fish strike in and we have a good fishery there, that is one situation. If it is a poor fishery, that will have to be dealt with later.

With respect to the question of whether it is new money or not, this is usually something the hon. member asks. He asks his old canard. This is money in Canadian currency, and it is all new money.

With respect to rebuilding the fish stocks, the $150 million under that heading is all new money that was not provided for before.

Mr. Robichaud: Taken away from other programs.

Mr. Crosbie (St. John's West): Just wait now. The hon. gentleman wanted to know if it is new, old, in between or tattle-tale gray. I am telling him.

For economic diversification there is $146 million, which is all new money never provided for before in the Estimates.

That is $146 million plus $130 million. I have missed $130 million for adjusting to current realities, which is all new money.

Add up $130 million, plus $150 million, plus $146 million and what do you get? A hell of a lot of new money.

Mr. Fernand Robichaud (Beauséjour): My supplementary is for the same minister.

The whole lobster industry is in a severe crisis. Fishermen are receiving prices that do not even cover their operating costs.

Will the minister come up with a price support program—new money—for the lobster fishermen? Or will he just offer to promote the sale of lobster at prices that will drive the fishermen out of the lobster industry. Is that what the government is offering?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the lobster season has really just begun in its fullest sense at the present time. There is a problem with lobster because there is an over-supply in so far as the markets are concerned.

• (1440)

The way in which one can attempt to overcome that is to try to increase the demand. That is what the minister is attempting to do. He announced a program involving $2.4 million on May 11 with the fisheries ministers of P.E.I. and New Brunswick to promote New Brunswick and P.E.I. lobster during the next three years.

In addition, the Departments of External Affairs and International Trade have launched promotional efforts for lobster in more than 20 foreign posts abroad.

Various fairs, missions and market intelligence activities are planned to enhance the diversification of processed lobster to encourage the development of new products in an attempt to overcome this problem, which is not a simple one because it is a problem of over-supply.

I am surprised that the world does not eat all the lobster that we produce and that the demand does not outrun the supply. But we have to make sure that they understand.

I attended a promotional effort in London last fall in connection with lobster. I expect that this problem will eventually be overcome, but it will take some time.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, my question is for the Minister of International Trade in the absence of the Minister of Fisheries and Oceans.

The minister will know that federal scientists announced in St. John's today their latest findings, namely, that previous estimates of northern cod stocks were too high, and that the fishery is in even worse shape than they had projected earlier. Yet his bosom pal, the European fisheries minister, has called for yet one more study before they stop pillaging our fish stocks.

When is the government, and in particular the minister, going to take off the kid gloves and stand up for the fishermen and the plant workers, his fellow contrymen?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, long before the hon. gentleman came into this Chamber and long after he is gone from this Chamber I will be standing up for the fishermen of Newfoundland and Labrador.

Some hon. members: Hear, hear!

Mr. Crosbie: Rather than this approach of alarm that the hon. gentleman is trying to spread, we are dealing with the problem. Today, there was a meeting of the Atlantic Groundfish Advisory Committee in St. John's so that the people who participate, and the press, could be fully briefed on the latest scientific information. It is an open process that our Minister of Fisheries and Oceans is involved in.

The new estimates confirm last year's assessment and the conclusion of the Harris panel. The 1983–84 year classes are now considered to be among the poorest ever seen. The spawning stock will decline in 1991 as these year classes mature.

However, there is a brighter note as well. The 1986–87 year classes appear much stronger in research surveys and could contribute significantly to stock rebuilding in 1992 and later years, if not extensively caught as juveniles.

These estimates now have to be confirmed through meetings with fishermen. Toward the end of the year there will be formal scientific advice for next year, at which time the minister will discuss the options with Atlantic fisheries ministers, the industry and the unions.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, while he is standing up for fishermen, probably he could tell us this in relation to last week's aid package. He will know that in the 1986 FPI privatization agreement, provision was made to keep the plants at Trepassey in his riding, Gaultois and Grand Bank open.

Is the minister prepared to recommend to his colleagues in Cabinet that the community adjustment funding provided for in last week's package be applied to keep Trepassesy, Grand Bank and Gaultois open under Clause 5 of that privatization agreement?

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, I might remind the hon. gentleman that he was a member of a government that gave away 9,500 tonnes a year of prime northern cod within the Canadian 200-mile limit to the European community. This is the same hon. member who now abuses diplomatic representatives who come to the gallery of this House. He got up the other day and insulted those particular people.

Mr. Boudria: That is not proper.

Some hon. members: Oh, oh!

Mr. Crosbie: Mr. Speaker, I am rather timorous. I get frightened and worried by the noise opposite.

With reference to community development funding, those communities can use those funds for any economic development in their communities, including using them to see whether the plants in their community can continue to operate, so long as they do not use them for operating subsidies. They can use them otherwise to try to ensure that the plants continue to operate under new ownership or other arrangements.

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THE ENVIRONMENT

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Acting Prime Minister. I assume there is one across the way.

Since the Brundtland commission, the Federal Court, the National Task Force on the Environment and Economy and the Canadian Environmental Advisory Council have either ruled inclusion or called for legislated environmental review of cabinet policy, and since in the last few days Canadians have been shocked to learn that

this government has decided to exempt its own cabinet policies from environmental review, will whoever is the Acting Prime Minister today take this opportunity to reverse publicly this odious decision?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, as my hon. friend knows, the Minister of the Environment is attending a very important international conference.

However, he did answer a similar question that the hon. member posed last week in the House before he left in which he reiterated the government's commitment to place before the House and the country a very comprehensive plan and the government's new policy which will reflect not only the government's commitment to a new ethic but also the programs that we intend to initiate in terms of the ERP review process.

The details of the legislation are still in cabinet. The hon. member will have to await the outcome of the final determination.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary is for the Acting Prime Minister. I do not know whether that is my friend Frank or not.

Earlier today an alliance led by Greenpeace, representing more than a million Canadians, called for a royal commission on the national emergency facing Canada's forests. Perhaps unknown to most Canadians, Canadian forests are disappearing to fire and clear cutting at a rate comparable to that in the Amazon—one acre every five seconds.

I wonder if someone on the government side, perhaps the Acting Prime Minister, might announce that there will in fact be a royal commission of inquiry into Canada's most valuable natural resource, our forests.

Hon. Frank Oberle (Minister of Forestry): Perhaps if my hon. friend would reflect on what the government has done over the last five years in terms of developing the necessary strategic alliances with industry and the provinces which have, after all, the principal and the first line of responsibility for the custodianship of the resources that lie within their scope of jurisdiction, the hon. member would recognize that much has been done.

This year 1.2 billion trees will be planted. Some of the policies that we have been able to put in place over the last five years are showing very impressive results.

Perhaps the hon. member would wait for the final assessment of the progress that has been made over the last five years before he would call or join the chorus for a royal commission.

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INCOME TAX REFUNDS

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, constituents of mine from the riding of Simcoe Centre have made numerous inquiries on the status of badly needed tax refunds they are expecting from Revenue Canada.

I would like to ask the Minister of National Revenue what he is doing to provide accurate information to Canadians regarding the status of their individual tax refunds in order to reassure them that they will receive the money owed in a timely and efficient manner.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as the hon. member could be aware, we have processed a record number of 6.2 million refunds as of April 30 due to the improvements in our productivity efforts in order to assist the taxpayer.

• (1450)

Nevertheless, I would like to point out to the hon. member that starting tomorrow, as a matter of fact, all taxpayers will be able to take advantage of a tele-refund program, which is a national computerized service, which will provide up-to-date information on any refund services to the taxpayer.

This is yet another step to improve productivity and to make the system fairer and simpler for Canadian taxpayers.

* * *

NEW HORIZONS

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, my question is to the Minister of National Health and Welfare.

I have been informed that in northwestern Ontario the New Horizons Program for seniors has been severely cut. In fact, there will only be a total of six applications approved for all of northwestern Ontario this coming year in comparison to nine applications which were approved in my riding last year.

Can the minister tell us exactly what is going on with the New Horizons Program for seniors? I think all seniors in this country would like to know.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, you bet I can, and I would be particularly delighted.

I am pleased to inform the hon. member and the House that he was particularly well treated last year relative to virtually all the other members in the House of Commons.

The allocation for the hon. member's constituency was some $36,806. The amount spent was $74,975. The amount approved was some $86,688.

Already this year the amount committed from the previous year carried over some $33,574, and there is a further allocation of some $24,620.

In terms of programs to be submitted for my approval over the next two to three weeks there is some $9,794.

The hon. member should be pretty pleased with that.

Some hon. members: Hear, hear!

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, it is very interesting that the minister knew exactly what I was going to ask him.

I would like to inform the minister, since he seems to know so much, that the fact is that my riding has been cut by 32 per cent for the upcoming year.

Some hon. members: Oh, oh!

Mr. Nault: That is not too bad. Last week the minister suggested to this House, through another minister, that there were no cuts at all to the New Horizons Program.

On the one hand the minister says simply that there have been no cuts, while on the other hand I am being told that I have been cut by 32 per cent. Even though we have been treated so well in Kenora—Rainy River, I would like that to continue.

Could the minister simply tell us if there are any cuts or if there are not any cuts? I would like to know one way or another so that the senior citizens of Kenora and in the area I represent will be able to make their plans for the upcoming year.

Hon. Perrin Beatty (Minister of National Health and Welfare): Mr. Speaker, I am a bit puzzled. The hon. member seemed surprised that I knew he might be asking a question. His office called to tell me so. Perhaps his office did not inform him of the possibility.

Some hon. members: Hear, hear!

Mr. Beatty: I can simply confirm for the hon. gentleman that his riding was disproportionately well treated last year. With the amount of money carried over this year, he will be exceptionally well treated again this year as well.

* * *

CITY OF MONTREAL

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is to the minister responsible for the city of Montreal.

The lead editorial in yesterday's *The Gazette* stated:

> A dark shadow is clouding Montreal's entrance to the 1990s as a dynamic, progressive and prosperous city.
>
> The shadow is cast by deepening poverty and misery, by an expanding underclass of Montrealers with no jobs or precarious jobs, substandard housing, poor health and little hope.

This assessment was made in a recent report by Paul Lacoste on behalf of the Montreal Centraide campaign.

Considering this shocking analysis, will the federal government now get together with the city of Montreal and with the Government of Quebec to develop a comprehensive city-wide plan to re-establish Montreal as a strong economic centre with good and productive jobs? When can we expect some action on these serious matters?

[*Translation*]

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, I am always surprised when the hon. member for Notre-Dame-de-Grâce makes such comments about Montreal, considering the situation in which the former Liberal government left Quebec in general and Montreal in particular and considering the programs that have been announced. The hon. member obviously did not refer to the announcement I made two weeks ago in southwestern Montreal, which was extremely well received by Montrealers, and to the efforts that have been made in eastern Montreal. Of course, we are not talking about the hon. member's riding, because it is probably in the

best health of all those on the Island of Montreal, Mr. Speaker.

In view of all this, Mr. Speaker, I think that the hon. member for Notre-Dame-de-Grâce knows very well that since the present Government of Canada, the Government of Quebec and the City of Montreal have implemented a package of measures, we are keeping the promises and commitments we had to the city of Montreal and the region in general.

[*English*]

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, this is not my analysis, but an analysis made by the Montreal Centraide campaign and *The Gazette* of Montreal. The plan that he put into operation last week was only for southwest Montreal.

In addition to the Lacoste report to which I referred, a recent survey by the Montreal Board of Trade found that Montreal companies are increasingly pessimistic about business conditions in that city.

Another report indicates that construction starts are down 31 per cent.

The *regroupement des depts. de santé communautaire* stated that one in four Montrealers are living in a state of poverty.

The Montreal Island School Commission said that poverty in Montreal is tied to illiteracy and to immigration conditions.

These are not our assessments—

Mr. Speaker: The hon. member will put his question.

Mr. Allmand: Yes, Mr. Speaker.

I want to know when the government is going to take these reports seriously—these reports, not our analysis—and do something about it?

Hon. Benoît Bouchard (Minister of Industry, Science and Technology): Mr. Speaker, the member will not be surprised if I do not always agree with *The Gazette*.

I believe that we have done for Montreal what we said we would do, and we continue to do it.

The member does not seem to be impressed. He should go and see what we did in southwest Montreal and find out from the community groups what they think about what we did.

The hon. member should speak to the city of Montreal and to many other organizations in Montreal which recognize that with the way the Liberals left Montreal in 1984, we had a lot of work to do. But it is what we do, and we will carry on. We will give Montreal the pride to be a great city of Canada.

* * *

ATOMIC ENERGY OF CANADA LIMITED

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Minister of Energy who is responsible for Atomic Energy of Canada Limited. It has to do with reports today that the government might be considering throwing good money after bad in helping to complete the Candu reactor project in Romania.

Knowing what he does about the shoddy work record on that site and the contentions about the diversion of nuclear materials, heavy water, et cetera, could the minister tell the House whether the government is prepared to make the decision that this project is beyond redemption and not continue with that work in Romania?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I have just a couple of points in answer to the hon. member.

First, with respect to the matter of the publicity relating to the diversion of heavy water, I point out to the hon. member that Canada was not involved. That should be kept in mind with respect to the publicity surrounding the diversion of heavy water from another country.

The second point that should be kept in mind is that all the moneys that Romania obligated itself to pay to date on the Cernovoda project have been paid up to the fourth quarter of 1989. There are no arrears.

In response to his question, the Government of Canada was approached after the fall of the Ceausescu regime by the present government for consideration of an extension of EDC credits on repayment terms and obligations such as Romania had met earlier. We have not made a decision on that issue yet.

With respect to any changes that would have to occur, obviously safety as well as technological and project management would have to be put into Canadian hands in order to meet the safety obligations that we have.

• (1500)

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, knowing the desperation of the nuclear industry in Canada and knowing that it has a strong ally in the minister, I do not expect the government to be as rigorous as we would like it to be in making this decision.

The minister mentioned that Romania paid its debts on this account. It is no wonder it could pay its debts; the site was a forced labour camp and nobody in AECL managed to notice this. If, God forbid, they should go ahead with this project, would the minister please ensure that he sends people to Romania who have their eyes open and who are not so committed to the sale of Candu reactors that they do not notice over a period of years that the place is a forced labour camp, something which was attested to time and again in front of the external affairs committee and by others? Would he promise to send people there who are not so tied to the nuclear industry that they cannot see what is going on right in front of their faces?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, along with Canada's international responsibility to the non-proliferation treaty, my obligation is to advance energy, including nuclear energy.

I point out to the hon. member that the province of Ontario has well over 50 per cent of its electrical generation in nuclear right now. It is moving toward 60 per cent when its present construction is completed. The point, I say to the hon. member, is that it is my responsibility to look at all energy forms rather than the biases that he, so often over the years while he and I have been in the House, has expressed.

At the present time, since the fall of the Ceausescu regime there are no military conscripts on site. I appreciate what he said in terms of other people working on the site during the Ceausescu regime. It is for those reasons that we are demanding certain changes, keeping in mind that there will be an election on May 20 and hopefully democracy will be restored to that country.

PRIVILEGE

THE ENVIRONMENT

Mr. Speaker: I should advise the House that I have a question of privilege from the hon. member for Skeena. Before the hon. member pleads his case, I want to suggest an approach to this matter which I think would be helpful.

First, I compliment the hon. member on having given to me in very great detail the sum and substance of his position. I want to let the hon. member know that I have looked at the material very carefully. I am not at this time ruling as to whether it is a question of privilege, but I must indicate to the hon. member that there is some doubt about that.

However, in the hon. member's letter supporting his question of privilege, he makes a serious argument that there was an intention to mislead as a consequence of contradictions in statements made by the hon. Minister of the Environment and material put forward by the hon. minister's department.

What I would ask the hon. member to co-operate with is my suggestion that this matter be adjourned until the minister gets back. I will take the information that I have as having completely secured the hon. member's right to raise the matter, but under the circumstances I want the hon. member to co-operate with the Chair in postponing it until the minister can be in his place.

Mr. Jim Fulton (Skeena): Mr. Speaker, I appreciate what you have had to say.

On the two points that I raise I think it would be quite appropriate to wait until the minister returns. In both cases, as you will see from how I have laid it out, they both relate to matters that happened in the House on Thursday and in relation to some documents that were made available to me either on Friday or over the weekend. I wanted to flag them, because this was my first opportunity to do so, but I am sure the Minister of the Environment would want to be here to hear the argument in person.

Mr. Speaker: I appreciate the response of the hon. member.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

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

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

VETERANS AFFAIRS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, pursuant to Standing Order 36, I have the honour to table a petition, certified correct as to form and content, from members and friends of Branch 126 of the Royal Canadian Legion in Westmount, Nova Scotia.

There are many signatures on this petition, and in part it states that the Government of Canada has introduced changes that will reduce home keeping services to veterans and substantially increase the costs of long-term care.

Whereas the veterans have already given service to this country and should not be targeted by those measures, the petitioners call upon Parliament to reject those budget measures which deprive veterans of proper services and increase their financial hardship.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to present this petition signed by numerous residents also largely members of a legion branch in Kingston, and in fact is signed by some in Napanee, Ontario, who are objecting to the cuts the government has proposed to the veterans services, particularly to the housekeeping costs for veterans and the additional charges for veterans in long-term care.

These petitioners call upon Parliament to reject the budget measures that impose these cuts and ask the government to reinstate them at the earliest possible date.

I am pleased to table this petition on their behalf.

GOODS AND SERVICES TAX

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, it is my pleasure to stand before you and present these petitions, pursuant to Standing Order 36, on behalf of the constituents of Kenora—Rainy River.

Today I have 33 petitions, totalling 3,314 signatures of people in my riding, that again call on the government to change its mind and reassess the reasons for putting this particular legislation in place as it relates to the goods and services tax, knowing full well that it will put our country into a major recession and cause severe inflation that these Canadians know very well we cannot afford.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, on behalf of constituents from Simcoe, Rainy River, and St. Thomas, Ontario, I would like to present a petition in opposition to the goods and services tax.

It points out that it is a tremendously unfair tax on the basis that it is regressive in that it is taxing people who are least able to afford this kind of tax. It asks the government to change the tax system, for sure, but to bring in one that is equitable, progressive and taxes people according to their ability to pay.

* * *

QUESTIONS ON THE ORDER PAPER

(Question answered orally is indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Mr. Speaker, Question No. 304 will be answered today.

[*Text*]

CHAIRMAN OF THE CANADA COUNCIL

Question No. 304—**Mr. Harvard:**

Does Mr. Allan Gotlieb receive a salary for his services as Chairman of the Canada Council and, if so (a) in what amount per year (b) is it a full-time or a part-time salary?

Mr. Albert Cooper (Parliamentary Secretary to Leader of the Government in the House of Commons): Please refer to reply to Question No. 214 answered March 23, 1990.

[*English*]

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

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

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1510)

[*English*]

BORROWING AUTHORITY ACT, 1990–91

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that Bill C-65, an act to provide borrowing authority, be read the third time and passed.

The Acting Speaker (Mr. Paproski): Before recognizing the hon. member for Burin—St. George's, 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 Nunatsiaq—Goods and Services Tax; the hon. member for Drummond—External Trade; the hon. member for South West Nova—Fisheries.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, a few minutes ago I was responding to some of the points that my hon. friend from Trois-Rivières had made. I recall that in particular he had talked about job creation and about the jobs that this government had created. He went a step further. If I were the Minister of State for Finance, I would not applaud until I heard how the gentleman from Trois-Rivières put his foot into it. He went on to say that it was the quality of the jobs created that excited him.

It may excite him, but it does not much excite the people who live in the fishing communities of Atlantic Canada. Up until now these people have had good quality union rate jobs either in fishing boats or in fish plants. There is a disaster in the fishery which is not of their creation, a disaster which is created very largely by the overfishing by Spain, Portugal and France, a situation that this government has aided and abetted over the past six years. I can give my friend from Simcoe Centre some figures to support that contention, as I shall in a moment. She could get the same figures by just calling the Department of Fisheries and Oceans, but I will recite them for her in a moment.

When the member talks and brags about the quality of jobs created during the administration of the gentleman from Baie Comeau, he ought not be so fast to brag when he realizes that people who have heretofore had union rate jobs in those communities in Newfoundland and Atlantic Canada generally are now being reduced to service type jobs, if jobs at all. Most of the jobs created during the life of this administration have been service jobs. They have been $4, $5, and $6 an hour jobs. That is the shame of it.

The gentleman from Trois-Rivières in speaking and introducing this bill on third reading on behalf of the government also went on to talk about how the government is being managed effectively. When is this member going to get serious? It is one thing for him to read the script prepared for him by someone else, but he ought to at least pre-read it before the fact so that he can realize just how outrageous are some of the statements that he has been asked to read into the record.

To suggest to Canadians who have been watching the shenanigans of this government over the past six years that the government is being managed at all well is just a falsehood. Perhaps the member for Burlington does not know what happened recently. If you want an example of effective management, let me lay this one on you, brother. Have you heard that the government, when the Prime Minister went to Costa Rica, actually went to the expense of flying two limousines down to Costa Rica. Does the member for Burlington know that?

An hon. member: Cadillacs?

Mr. Simmons: The assertion by the gentleman from Trois-Rivières is not that the Liberal government managed effectively. His assertion is that the Tory government manages effectively. I am attempting to demonstrate and to put into the record some examples so that the public of Canada who are watching can judge for themselves. The present example, the one I was giving to my good friend from Burlington, is that the

government decides that the vehicles in Costa Rica are not good enough for our Prime Minister.

Mr. Hawkes: Liar, liar, liar.

The Acting Speaker (Mr. Paproski): Order, please. The hon. government whip knows what he has to do. He has been around here for a long time. I know it is very warm outside and is also very warm in here, too. Sometimes members get excited, but I am sure the hon. member knows that he has to withdraw.

Mr. Hawkes: Mr. Speaker, in sitting here today and listening to him talk about an RCMP decision as if the government made it, I was impelled—

Mr. Vincent: It was the RCMP.

The Acting Speaker (Mr. Paproski): The government whip should withdraw his comment.

Mr. Hawkes: Mr. Speaker, I would be only too happy to withdraw and point out that the member opposite—

Some hon. members: Oh, oh!

An hon. member: I said you are not saying the truth.

The Acting Speaker (Mr. Paproski): The hon. member for Burin—St. George's.

Mr. Simmons: Mr. Speaker, parliamentary niceties aside, I am sure my friend the government whip was trying to make a point. I believe the point he was trying to make—and I will make it for him—was that I was not telling the truth when I suggested, alleged, or informed the House that two vehicles were flown to Costa Rica for the use of the Prime Minister who was going there on government business. That I understand to be the case.

Mr. Hawkes: That is true.

Mr. Simmons Now he says it is true. Thank you.

Mr. Hawkes: That is true. It was on government business, but it was the RCMP who made the decision.

Mr. Simmons: He makes the fine distinction that it was not the government, it was the RCMP.

Mr. Hawkes: Are you going to tell the RCMP what to do?

An hon. member: They do not tell you what to do.

The Acting Speaker (Mr. Paproski): I realize that under Standing Order 43 there are no questions or comments for the hon. member. I know hon. members like to get their questions and comments in during a speech, but I would hope that hon. members would refrain so the hon. member can complete his debate.

Mr. Foster: Now, straighten them out once and for all.

Mr. Simmons: Mr. Speaker, let me try one more time to say that I would find it passing strange if the Prime Minister did not want those cars there if someone decided to bring them anyway. I have no doubt that they were brought at the specific request of the Prime Minister. It also tells us volumes about his style of prime ministership. That is another theme that I won't—

Mr. Hawkes: How many agents have bullet-proof limousines?

Mr. Simmons: Mr. Speaker, I think we struck a nerve here. Let me just quickly make this point and get off it. The point is that if you are going to brag about good government management, and I say to the gentleman from Trois—Rivières, I am going to give some examples so the people of Canada can decide for themselves. The one I have put on the record concerns flying two limousines to Costa Rica and, by the way, finding out after the fact there is no gas for them. That is an interesting aside I should have mentioned. I do not think that constitutes good government management.

Mr. Hawkes: Give us an example.

Mr. Simmons: Oh, the member wants another example. Why does he not get up and tell us about the 160 or so vans the government bought for the Open Skies conference because it wanted to drag a bit of luggage from the airport. Why does he not tell us about that example of good government management? I can give him examples. Let us go back to the Costa Rica objection, that somehow the RCMP is not government. The last time I checked the public accounts of this country, the RCMP expenditures were part of the public accounts. I believe that is still the case, but the member know that already.

Mr. Hawkes: You can't find a government example.

Mr. Simmons: I have just given the member, soon to be minister, two examples already and there are many other examples, if he would like to have them.

Mr. Hawkes: Do you know what government does? The Minister asked if I know what government does, or does he mean do I know what this government does? It is hard to keep track of what this government does. It doubled the public debt, if the minister is looking for some examples of what the government did. It went from—

• (1520)

An hon. member: You did it.

Mr. Simmons: It's my debt, all of a sudden. You should make up your mind. If I wasn't there very long, I couldn't have driven up the debt as much as you say.

An hon. member: That's right.

Mr. Simmons: You cannot have it both ways.

We had a good Liberal government in 1968, too. A good Liberal government in the period leading up to 1968 led by Mr. Pearson.

Mr. Speaker, you will know that I have all the time in the world. There is no clock on me at all. So, as long as members opposite want to get rid of their frustrations, I will indulge them. No problem at all. If I do not get finished today, I have tomorrow and the next day. This is a bill that requires adequate discussion and I intend to do exactly that.

The next issue is that the goods and services tax is fair and equitable. I shouldn't take him seriously. He obviously sat down this morning and said "What eight, ten or 12 things can I get up and say that will be most incongruous or unbelievable?" He talked about government management and all the great jobs the government is creating. They are all service jobs, as we know.

Now he comes to the question of the goods and services tax. He may believe that it is fair and equitable. That is not what small business is saying. That is not what the economists are saying. That is not what 80 per cent of Canadians are saying. They are saying the opposite, that it is the most regressive and unfair tax. Even if none of those were saying that, the member himself would know it is a regressive tax. He will know if one applies an across-the-board percentage at all income levels, it is *de facto* regressive because a larger portion of low incomes is devoted toward essentials such as housing, shelter, electricity, food, and so on, than would be the case with high incomes. The goods and services tax is a very regressive and unfair tax.

Nobody is arguing that we should keep the FST. What we are arguing is that the Minister of Finance should go back to his undertaking of 1984 in which he said that a new tax to replace the federal sales tax would be fair, equitable and revenue neutral. We know he has flunked on all three points. It is not fair, not equitable and, of course, it is a tax grab. It is taking in several billion dollars more than the manufacturers' sales tax, the so-called FST.

The hon. member for Trois-Rivières should not read these scripts without reviewing them to see if he believes them because I am sure he does not believe some of the nonsense he said.

We come to the next profound wisdom he uttered. He said that the big bad Liberals on this side of the House offered no alternative to the goods and services tax. I like to be fair, and I think I quoted him very accurately. He said that, and he nods his head to the effect that he said it.

Mr. Waddell: You are going to adopt the tax.

Some hon. members: Oh, oh!

Some hon. members: Hear, hear!

Mr. Simmons: I say two things to my friend from the NDP. First of all, his leadership is over and if he must get involved, just lean down closer so your mike can pick you up.

Mr. Waddell: I said the Liberals are going to adopt the tax.

Mr. Simmons: The hon. member for Trois-Rivières said that the Liberals have no alternative to the goods and services tax. First, the role of an opposition is to point out what is less than perfect about the government's policies. On the goods and services tax, we have had no difficulty whatsoever finding some imperfections. If we had done no more than that, we would have served our role as Her Majesty's Loyal Opposition.

Being the thinkers we are, we went a step further. We knew those big, bad Tories are going to suggest, that we have no alternative. We went out and got a few alternatives. Let me outline them for the sake of debate?

First, we said that a consumption tax ought to be fair. We are not the only people who say that. The Minister of Finance said it back in 1984. He said that the first principle of a tax is that it ought to be fair. We stand by that. In government we will stand by that. The tax must be fair.

Second,the tax must be equitable. The Minister of Finance said that in 1984.

Third, the tax ought not to be a tax grab. The Minister of Finance said that in 1984 although he is now perpetrating a tax grab on the Canadians.

Fourth, the minister said and we say that the tax ought to be visible. When people buy something, they ought to know what portion of the cost is for the goods and what portion is for the tax.

These are the four principles that we intend to apply to a federal tax to replace the flawed manufacturers' sales tax. These are just principles, but they are important principles even though they do not say very clearly what kind of tax to implement.

What we are doing now in opposition is not unlike what the Tories did when they were in opposition. One tries various ideas, but one really does not know until one is in government and sees the books whether what one is proposing is completely plausible. Subject to finding out just how bad a situation this crowd leaves us, one of the many good suggestions that we have been promoting with a lot of support is the single tax.

My hon. friend from Broadview—Greenwood has done a lot of work on this. I tell the hon. gentleman from Trois—Rivières that we are getting a lot of support for that tax right from his own riding and throughout the province of Quebec. Indeed, the support for that tax has probably been most enthusiastic from the province of Quebec in terms of the mail that the hon. member for Broadview—Greenwood is getting.

The hon. members opposite shout that that tax is regressive. I think I heard the Minister of State for Finance say that. I want to tell him that that is not what his good friend and my fellow Newfoundlander, Michael Walker who heads up the very conservative think tank at the Fraser Institute in Vancouver, says. He is very supportive of the tax. He says it would be a considerable improvement and light years ahead of the government's proposed goods and services tax.

Michael Walker is one of many hundreds of informed, prominent Canadians who come forward to support this single tax. If the government wants alternatives we could offer all kinds of credible alternatives to what the government is proposing in this goods and services tax.

Let us not forget that what we are debating this afternoon is Bill C–65, an act to provide some borrowing authority for the government so it can rush out and borrow another $25.5 billion to keep afloat for another year. I take the view that borrowing itself is not a sin as long as one borrows within his or her capacity to repay and also, if it is for a reasonable purpose.

These are basically the two yardsticks that prudent individuals apply to themselves when they go out to borrow. They borrow having in mind their ability to repay the indebtedness, and they borrow for a good purpose. In individual terms, it is often a house, a car or any justifiable expenditure. If those two criteria are applied to personal borrowing or government borrowing, there follow a number of questions as to the government's ability to repay or how that ability could be improved. I touched briefly on that point when speaking before Question Period, earlier today. I indicated that the government has within its power changing the interest rate policy of this country.

• (1530)

I happen to think what is going on now is unconscionable. It is unconscionable in terms of what it is doing to the deficit, a matter that is of tremendous concern to people opposite—although one would never know it when one sees what they are doing to the deficit by allowing interest rates to continue very high. It is unconscionable when one realizes that we are fully 5 or 5.5 percentage points above American interest rates. So, the argument of attracting foreign capital does not really apply here. We have already put ourselves in a position that is more than competitive in terms of competing with American loan institutions to attract capital.

It is absolutely unconscionable in what it is doing to family budgets across the country. People who are locked into house mortgages have absolutely no control. They have no say whatsoever when asked to pay that extra $50 to $100 a month over and above what they should be paying. The government has allowed the interest rate to become unconscionably high. People who have consumer loans for cars, for home improvements, for university education, and made those commitments of indebtedness in good faith at a time when interest rates were

considerably lower, are now caught, not by any misdemeanour they have committed, but by the terrible insensitivity of the government.

These people all across the country are now paying through the nose, many hundreds of dollars more a month for many families, for their house mortgages, car loans, consumer loans of various kinds, university education loans. They are paying much more than they ought to be paying. If only the government would come up with a fairer and a more sensible interest rate policy or, more to the point, would allow interest rates to fall somewhat.

Of course the government's answer is that it is protecting consumers against themselves. My experience with consumers is that they have more skill and a better track record in protecting themselves well than does the government. Indeed, consumers today would be reasonably well off if they were not saddled with those extra expenditures on mortgages, car loans, and those other expenditures.

Also, when talking about a borrowing bill, one raises the second question that I raised a few moments ago: Are the purposes for which the loan is being made justifiable and reasonable? I am thinking of individual personal consumer borrowing. Once that question is applied to the realm of government, of course, the borrowing is for many, many purposes, but all of which come under the general umbrella of providing hopefully good government for the country.

One must take some particular examples and ask whether the government's expenditure in certain areas is justifiable. I gave a couple of frivolous examples just now to show it was not, but I would like to come to the other side of the question: Is the government, in its stated objective of bringing down the deficit, not cutting in the wrong places, and how can it justify that kind of cut in the light of its request to the House today for another $25.5 billion in borrowing? I think particularly of two examples, and there are many I could give.

Student aid in the country is in an absolutely terrible mess. It is in that kind of a mess because of the frustration which parents and students feel at the government for not having upgraded the criteria. These rules determine the amount of living allowance students can claim and the amount that parents are expected to contribute and they have not been changed since 1984. Not since the government took over has it changed the levels, despite the fact we have had some inflation and some increase in the cost of living over those six years. It is common knowledge that in 1990 one cannot buy a commodity for the same price it was six years before. Those people who are trying to get an education with very meagre means, in all parts of the country, are not able to access student aid.

What is student aid? Is it a government hand-out? No. It is a program drawn up by the former Liberal administration and, to its credit, continued by this administration—although a little more stingily, as I have said. It is a program that allows young men and women, who otherwise would not be able to go to university, to access some funding. It is not a government grant. We all know that. It is a loan advanced by the state to those individuals who are required contractually—they signed a contract—to pay back every cent of it with interest.

We are not advocating that there ought to be a Santa Claus approach, that all university education for all people who want it should be given out at no cost to them. Student aid, in effect, just defers the cost to them. It allows them to go to university while they are 17, 18 or 20 years of age and then, when they have some economic power and are employed, they can then pay back those amounts. That seems to me to be a very sensible approach.

That program, as good as it is, is being seriously undermined by the penny-wise, pound-foolish approach of the government. In nickeling and diming away at the deficit, the government sacrifices the university educations of thousands of Canadians from coast to coast.

I was in St. John's a few weeks ago and I attended that massive demonstration of students in post-secondary institutions in St. John's. Students who attend Memorial University of Newfoundland, the Cabot Institute and the Marine Institute came together, several thousand of them, to vent their feelings and to send a message about

how the government is hurting them because of the freeze on student aid.

The problem could be cured with a stroke of the pen, but what a beneficial stroke it would be. It would send a signal to thousands of Canadians, young men and women, who are out there now with the knowledge that they are not able to get to university this fall because they cannot afford to go and, under the present rules, they cannot qualify for the necessary funding to go. With one stroke of the pen, the Minister of Finance or the delegated minister could solve this problem by just bringing the rules for student aid, the qualification criteria, up to 1990 standards.

So often in the House we are told, in effect, as I was a few minutes ago, that it is not enough to criticize, and asked: "How would you do it?" Well, I have just said to the minister, to the House and to the government, how we think it should be done. It is very simple. Be fair and apply 1990 guidelines to the student aid program, instead of allowing the 1984 guidelines to stay there. They are not only six years out of date, but are doing some real damage in terms of interfering with the capacity of thousands of Canadians to attend post-secondary education this fall.

• (1540)

I raised that issue as an example of how government spending rules can impact unfavourably or, to put it more bluntly, can hurt ordinary Canadians. There are many other examples.

We know the example of the women's funding issue. The government finally relented on that and agreed to extend the funding for another year. I am delighted to see that my friend, the minister responsible for the status of women is here. I want to say to her that, while the extension of funding took the heat off for the short term, she will owe it to women across Canada, and the cause they stand for, to go to bat to have that funding continued on a permanent basis.

In my riding there are two women's centres, one at Stephenville and one at Port aux Basques. As the minister will know, they have earned a reputation over the years of being among the better women's centres in Canada. I have seen some of the work that they do in terms of coming to the aid of people who are victims of family violence. I could cite some specific examples of the good work that those women and their organizations have done in those two communities.

I like to think that perhaps one of the reasons that the funding was cut in the first place was that there was not a sufficiently good understanding of the work that was being done by some of those centres. If that is the case, insofar as the two centres I have mentioned are concerned, I am prepared to document for the government some of the examples of what is being done. Members of the House would be encouraged that tax money is being so well spent.

Under the aegis of the debate on this bill, I wish to address the whole issue of regional development, a subject I am sure my friends from rural Quebec would love to hear about. In fact, I would like to hear them talk about the issue because they will know that the policies of this government have devastated the capacity of rural Canada to survive, whether talking about the closing of rural post offices; the closing of rail lines in Newfoundland a year or so ago and now here on the mainland Canada; women's funding, which I mentioned has temporarily got a reprieve so we will not beat that one to death right now in terms of an example; or the cut-backs in ACOA, the Atlantic Canada Opportunities Agency funding.

In many ways the government's record on regional development poses the question: Why should we be voting for this government to borrow more money when it is not spending very well the last borrowings we gave it in the House a year or so ago?

Also, I want to comment on the fisheries aid package that was announced the other day. I wish the Minister of Fisheries and Oceans was here. I understand he is away on business and I am not criticizing him for that, but I do wish he were within the hearing of my voice at this time. I wanted to say to him, as I have said to him privately, that I believe the fish aid package will go some way to addressing some of the problems and easing some of the pain. I have no hesitation in saying that publicly, and I have already said it to him privately.

There are a couple of key issues that it does not address and he acknowledges at least one of these. Let me deal with that one first. It does not address the issue of the inshore fishermen, the so-called fixed gear fishermen. The Minister for International Trade in his re-

sponse during Question Period earlier today essentially acknowledged this matter as well.

I want to again use the Newfoundland example, although I am sure that colleagues from other provinces could use ones with which they are familiar. Part of my riding on the southwest coast includes a number of communities that depend exclusively on what we call the fixed gear fishery, or the hook and line fishery. I am thinking of communities such as Grand Bruit, La Poile, Petites, Rose Blanche, Isle aux Morts, Burnt Islands, Fox Roost, Margaree, Port aux Basques, and Codroy.

Mr. Edwards: Channel?

Mr. Simmons: The member for Edmonton Southwest is right. There used to be a—

Mr. DeBlois: How do you explain only 200 people?

The Acting Speaker (Mr. Paproski): I would hope that hon. members would allow the member to finish his speech. The hon. member for Burin—St. George's has the floor.

Mr. Simmons: Mr. Speaker, I thank the member for Montmorency—Orléans for his question. It does not relate to fish. I could be unkind and suggest that he does not want me to talk about fish, but I do not think that was the burden of his question. The question was, how do I explain the number of people who showed up on the Hill for the GST protest on the weekend?

Well, I was not among them, not because I am for the GST, but I happened to be in my riding. I am sure that would apply to a number of other people. However, I am sure he is aware that this past weekend we celebrated one of the most marvellous institutions that we have in this country, called Mother's Day. He will understand that the organizers made a mistake on the weekend, they set up an absolutely impossible and terrible choice, asking the people to choose between their mothers and the future of their country. It is a very hard choice. Many people who were out kissing mom, sending her notes, or taking her to dinner were nevertheless realizing that next year or the year after when they take her out, it is going to be even more expensive because they are going to have a 7 per cent goods and services tax.

I was talking about the fisheries aid package. The fishermen in those communities who use the fixed gear equipment were not helped at all. There was not one red cent for them. That is not a new statement. The minister is aware of that, and the Minister for International Trade acknowledged as much today.

If I heard the minister of trade's answer correctly, I understand that at the end of the season, the government will look at the situation and see what kinds of incomes those people have had. I have news for the minister of trade. It is the end of the season. He is from Newfoundland and he should know that the so-called winter fishery on that coast runs from the first of January to the end of March. Also he should know that it is well beyond the end of March and that I have been giving him the figures both by letter and in this House. I will give them one more time. I will pick one of the communities that I mentioned a few moments ago, the community of Rose Blanche. In that community, there are 147 licensed inshore fishermen. Three years ago, during the winter fishery, the period January 1 to March 31, those 147 fishermen landed four million pounds of fish. In the same period this year, those 147 fishermen, given one or two who may have died or retired, landed not four million pounds as they did three years ago, but fewer than 200 pounds; they landed no fish at all. The fish just are not there. The season is over.

• (1550)

If the Minister for International Trade is saying today that they are going to wait until the end of the season, I say to him that they have already waited a month or so too long, because the season ended at the end of March. I will be following up with him as a result of his answer to my colleague from Beauséjour earlier today on that particular issue.

If I may return to the fisheries aid package, there are two points I want to make. The first one I have just dealt with. A whole group of people, many thousands of fish plant workers as well as fishermen are affected because of the domino effect. If the landings are down from four million pounds to nothing in a particular community, then there are no fish to be cut and no work in the plant for those several hundred workers of that plant and also for the many other plants along that coast.

Literally thousands of inshore fishermen and thousands of inshore fish plant workers really do not know today, as we sit here, where the next dollar is coming from. We are not talking about getting enough income to get UI stamps to qualify for unemployment insurance. We are talking about enough income to put bread on the table today. They are not reaping enough from their fishing efforts to pay for gasoline and the expenses of the

boat, let alone to put bread and butter on the table. There are in very desperate straits. They have a need that this government ought to address right now.

This disaster has happened through no fault of those people. They did not do anything. They did not stay in bed because they were lazy. They did not refuse to buy bait. They did all the things that they were supposed to do. They baited their gear the night before, put it in the baited trawl unit, went home and snatched four or five hours sleep, got up at 2.30 or three o'clock in the morning, put the tubs of gear and fuel aboard the boat, put their lunch aboard the boat, and sailed sometimes for as long as two or three hours to the fishing ground. They did that in the months of January and February, in the worst kinds of weather. So do not let anybody suggest that we have a lazy group of people on our hands. That hardly sounds like laziness to me.

The work ethic I have described is not exclusive to Newfoundland. I see other members in this Chamber who represent other fishing constituencies. I understand that the work ethic is no less honoured by its practice in those constituencies than it is on the southwest coast of Newfoundland. That is the way it should be.

The point I wanted to draw to your attention, Mr. Speaker, is that those people, through no fault of their own, despite their best efforts day in and day out, six days a week, every day except Sunday, have come up empty. They do not have enough money to put bread and butter on the table as a result of their efforts day in and day out. That is the first issue that the fish aid package does not address.

Another issue has to do with the money that is being paid to those communities whose fish plants are under the gun. I am thinking of communities like Gaultois and Grand Bank in my riding, Trepassey in the riding of the gentleman from St. John's West, also St. John's, or as we call it back home, the South Side Hills, the south side plant. These are four plants that are affected.

Other plants that are seasonal operations are affected. The Burgeo plant in my riding, which used to be a 12 month plant, has been cut back now to a six month plant. The workers are uncertain, because there is a rumour that the company is talking about selling that plant. That might be a blessing in disguise, but we will not know that until we get more information. That is an important issue but another issue.

I want to come to the question of Gaultois, Grand Bank, and Trepassey and the south side St. John's plant. If you read the actual print, the fish aid package states that money is being put in to assist those communities. I have no doubt that there are ways that those several millions of dollars, in the case of each of the communities, can be expended to be of some help to the communities.

What I put to the minister today during Question Period, and what I hope he will take up, is the suggestion that the funding made available for the community adjustment program ought to be applied to trigger Clause 5 of the FPI, the Fishery Products International privatization agreement.

In the agreement between the Government of Canada and the government of Newfoundland and Fishery Products International at the time that FPI moved from government hands to become a private enterprise, that clause provides that if at some time the company decides that it wants to close one or more plants, the Government of Canada and/or the Government of Newfoundland can keep those plants open by providing the incremental funding.

Nobody is suggesting that government ought to fund that *ad nauseam* forever and ever. However, if we do the things that Dr. Harris and his panel recommend, and if we get control of the foreign overfishing issue, we are told the stocks are going to rebound in five or six years. That is a different issue, but if we believe the government's assurances, in a matter of time that will be taken in hand. I have a strong view on that, but I am trying not to get sidetracked from the point that I want to make.

If we believe the government's agenda on foreign overfishing and believe the scientists and Dr. Harris and what they say about rebuilding the stock, we have to

conclude that four or five years down the road we are going to have a fairly healthy northern cod stock and a fairly healthy stock in 3PS, that area between St. Pierre and Miquelon and the south coast of Newfoundland, the Burin peninsula and Fortune Bay of Newfoundland.

If that is the case, here are my questions. If we are going to be back in five years to where we were three or four years ago, where we had enough fish to keep all the fish plants going, why are we dismantling what is clearly today's excess capacity? Why are we encouraging skilled labour who know how to process this fish to go on to other occupations, and in many cases move out of the community because that is what going to other occupations means in most cases? Why are we dismantling the plant facilities and getting rid of the skilled labour to process those fish, if we are going to need both four or five years from now?

Is it not a much more sensible proposition to keep that capacity and those skills, even if it requires some government dollars in the interim three or four years? Again, I am not asking for the government to find some more money. I am saying to it, why not apply some of the money put aside under the fisheries aid package to address that particular situation, to keep the plants open at Trepassey, Gaultois, Grand Bank, and in St. John's south side?

There are so many issues that come to mind when debating the borrowing bill. I wanted to talk about the government's cut-back in social housing and the devastation those cut-backs are creating. I wanted to talk about the fact that the government is bringing us very close to the brink of a recession, but I am sure other colleagues in this debate will pick up on those issues. There is a great need for social housing in this country and this is not the time to cut back on it.

• (1600)

I am sure others in the debate will want to pick up on that theme. Over the last hour and a half or so, I have had an opportunity to give you some of my views on the issue. Thank you for your indulgence, Sir.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is quite an experience to follow a speech of that duration and scope.

Certainly I will not try to deal with the vast range of issues in which the previous speaker indulged himself. However, I would have to say that I find myself in a somewhat unusual position. In a certain respect, I agree with what both Conservative and Liberal spokespersons have said in this debate so far.

In other words, I agree with what the Liberals have said about the Conservatives, and I agree with what the Conservatives have said about the Liberals. When we are talking about borrowing $25 billion with the fiscal and monetary mess that this country is in, if we are looking at this question honestly, I think they are each probably equally culpable. We have seen the same kind of tax policies and high interest rate policies in response to inflation from both Liberal and Conservative governments.

Certainly, when we look at this borrowing bill and the amount of money that it represents, we have to be honest about the kind of deficit that this country faces. The kind of interest payments that it takes to maintain the borrowing on that deficit is something that we cannot live with forever. The question is: Who is going to pay down that deficit? Who is going to bear the brunt? In other words, on whom will the pain fall?

I contend that the pain right now and under the policies that have been followed by successive Liberal and Conservative governments has fallen by far the most heavily on low and middle-income Canadians in the outlying regions of the country, in northern Canada, the prairies and the maritimes. The less wealthy regions of the country have borne much more than their share of the burden of reducing the deficit.

In my own province of Saskatchewan, we are in the middle of what might well be considered not only an economic calamity but one that is threatening the whole future of that province. It is a social calamity, a political calamity, a calamity of confidence in hope of the very future of the province. In 1987 we saw 361 business bankruptcies in Saskatchewan. In 1988 we saw 453 bankruptcies. In 1989 we saw 556 small business bankruptcies, the people who create the jobs in that province.

What are these people getting out of the fiscal and monetary policies of this government? They are getting higher interest rates which increase their costs of inventory, the cost of borrowing for any expansion they might want to do in the face of what is already a poor economy, and they are getting the goods and services tax.

I do not think anybody, even on the government side, argues that, in its initial phases and far down the road, the goods and services tax is going to be a disaster to the

small business community. It is the centrepiece of this government's fiscal and economic policies.

Farmers in Saskatchewan are in a situation where there is a very good possibility that there will not be any net income for those farm families at all in the coming year. They will not have a single dollar to spend after the expenses have been paid, much like what has been described by the previous member in respect of fishermen in the maritimes. The expenses of farming will eat up every dollar of income that those farmers will get.

I did some checking in my own region, and the Prince Albert Farm Credit Corporation office reports that of its 2,900 accounts, 916 or 33 per cent are in arrears. That means that one third of the farmers cannot pay their bills. Certainly, low prices and other factors have been a contributing cause to that fact, but the high interest rates that have been paid over the last 10 years or so have also been a contributing factor.

It is very discouraging to the young people in that province who started farming in the last 15 years when they see real incomes and the prices of their products decline. At the same time, they see interest rates rise. Thirty per cent of the farmers right across the province are in that kind of situation. Those farmers are asking me: "Where is the money that has been promised by this government? When is it going to get there? Where is it going to come from?" This government has got itself into such a fiscal and economic mess that it cannot afford to pay any more.

Four months ago, the Minister of Agriculture said yes, there would be money to assist the prairie farmers fight the international grain wars and other problems that they were facing. Six weeks ago there was an announcement that there was $500 million available and that the minister would be negotiating with the provinces in an attempt to up the ante on that. In fact at that time, he was demanding one-to-one dollars with those provincial treasuries.

That is a ridiculous proposition. The very provincial economies and provincial budgets that are being asked to share this money are the ones that are being negatively impacted. How can a treasury, such as the treasury of Saskatchewan, match a one-to-one dollar when its very tax revenues are dropping like a stone because of the crisis that it faces?

In Canada, the situation we are then left with is that our national government is the only government in the world that is asking its local level governments, in other words its state or provincial governments, to pick up the burden of fighting the international subsidy war which is driving prices down. The European Common Market, the United States and all our competitors are doing it at the national level.

The national governments are taking responsibility, as they should, for matters of international trade and for making sure that the bank accounts of individual farm families are not the ones competing in international grain wars with the treasuries of the European Common Market and the United States.

We have the total absurdity in the province of Saskatchewan where 23,000 people were forced to leave the province in the last year. They were faced with fiscal and economic policies that were designed to fight inflation in a few metropolitan areas such as Toronto, Montreal and Vancouver. In our own province, and in many rural areas of Canada it is the people there who are fighting dis-inflation, de-inflation.

The net value of farms, homes and businesses is falling. There is no inflation at all. There is de-inflation. That is what people need to fight in those regions of the country, and the government's fiscal and economic policy takes no account of that.

The problem we got ourselves into stems from a fundamental change in the government's public, fiscal and monetary policy that occurred about 20 years ago. I think it can be honestly argued that both Liberal and Conservative governments have been equally culpable in making this massive shift in fiscal and economic policy.

The hon. member says that an NDP government would have also been responsible for making this shift in policy, if it had ever been elected.

I would like to remind the hon. member that the New Democratic Party governed my home province of Saskatchewan for 11 years, 1971 to 1982. During that period, through good times and bad times, that party managed to run a surplus budget in every budget year and managed to provide the citizens of Saskatchewan with some of the best programs seen anywhere in the country. There was great innovation in a wide variety of programs. At the same time, they managed to balance their books. I think that is an example of what you can do if you not only pay

attention to where you are spending money but also to where you are collecting it.

• (1610)

The shift from the corporate sector, the share that the wealthy in this country pay, to the individual taxpayers is very clearly laid out in the following figures. In 1950 the proportion of taxes paid by the corporate and individual sectors were roughly equal. By 1988, individual Canadian's proportion had risen from 35 per cent of revenue to 47 per cent. Corporate tax revenue has gone down to 12 per cent from 40 per cent in 1950. In 1988 terms, if the corporate sector contribution matched that of Canadian families, we would have a surplus of $18.5 billion instead of a $30 billion deficit. That would certainly cast a much different fiscal and monetary light on the situation that we are in today. We would be able to afford the programs for farmers, women, children, fishermen and regional development which the government argues it is not possible to fund.

As well as raising income tax, this government has raised sales and excise tax revenue from $14.1 billion in 1984–85 to $28.8 billion in 1989–90. That is before the GST, which will only compound the problem. With the theory that you need high interest rates to fight inflation and with the government admitting that the GST is going to cause even more inflation, we are going to get into another vicious circle of more inflation from the GST, causing higher interest rates. It is no wonder that not only economic forecasters but individual Canadians are seeing the economy of this country in ever more gloomy terms.

A second point needs to be made about the GST in the context of the fiscal and monetary policy of the government. It has a very insidious effect on the general thrust of government policy. This is due to the role of government traditionally being seen as having something of a redistributive responsibility to make sure its fiscal and economic policies raised the income of all Canadians. The idea was to have a wider tax pool to draw from so that more people had more income in order that the government could raise more revenue. That is only an effective kind of fiscal and monetary policy if in fact taxes are based on net incomes.

With taxes based on consumption, that kind of economic theory no longer applies because all the government needs to do is tighten the screws further on individual taxpayers with very little regard for their ability to pay. The balance that an individual has left to spend as disposable income, with what the government draws in taxes, is very little. Therefore, there will be very little difference with what the government collects under a consumption tax like the GST.

We see the hypocrisy that Canadians are confronted with when they are being lectured that they are not supposed to try and catch up with the inflationary effects of government policies such as the GST and high interest rates. There is the looming threat of wage and price controls and other kinds of Draconian mechanisms. At the same time we see the Governor of the Bank of Canada, the architect of this policy, raising his own wages and those of his senior officials by 35 per cent. We see executives having their salaries raised by 18 per cent and this government taking no countermeasures. This is not on salaries that ordinary Canadians receive, but salaries in the $250,000 to $400,000 a year range.

I would like to speak in more detail about the effect of high interest rates and some of the commentary around this high interest rate policy. In appearing before Commons committees, the Governor of the Bank of Canada has said that the high interest rate policies are not working. Yet he maintains that. We have heard western premiers say that the high interest rate policies are a disaster for that whole region of the country, yet we see the policy maintained.

A year ago when interest rates were much lower we saw the finance committee of the House of Commons, with representatives of all parties, table a report stating that high interest rate policies were leading us to economic disaster and a possible recession.

We have seen an interest rate policy which now has us with interest rates 5 per cent higher than rates in the United States, as opposed to the historic 2 per cent. What does this mean? It means that any perceived or potential benefit from the free trade agreement in terms of reduced tariffs has been more than wiped out by the high Canadian dollar.

We have an interest rate policy that is crippling our exports. Through its direct effects it is crippling anything positive there might have been from the free trade agreement. In fact this entire high interest rate and high dollar policy is contradicting everything this government

has said about the necessity of replacing the manufacturers' sales tax with the GST. The argument has been that this is to make our exports and exporters more competitive. At the same time the government is raising interest rates and pursuing a high dollar, which is make them much less competitive.

In fact this indicates that we have become much too dependent on hot money, on capital that will move at the slightest fluctuation in interest rates and rely far too little on internal mechanisms to generate capital, employee controlled investments, our own pension funds, co-operatives, community development based initiatives, and different kinds of locally based investments that would in fact be possible if Canadians were left with their own money to spend.

I would also like to mention briefly the effect of the high interest rate policies on home owners. The Homebuilders Association has said that whereas two years ago 475,000 Canadians were able to afford new homes, now only 270,000 Canadians are able to afford new homes. In other words, the number of Canadians able to afford new homes has been cut in half in just two years. Less than 12 per cent of people under the age of 45 years can afford to buy the average priced home in this country. In our own province of Saskatchewan the situation has become so ridiculous in fact that there are only 82 new home starts in the first months of this year.

I would like to conclude by saying that the fiscal monetary policy represented by this borrowing bill is a disaster for the country as a whole and a disaster for individuals coast to coast. The deficit has become an excuse to pursue a monetarist, Thatcher-like agenda of cuts to ordinary Canadians, cuts where they hurt the most, and massive tax benefits and breaks to wealthy Canadians. It does not have to be this way. There are alternatives.

A 3 per cent cut in the interest rate would yield $4.8 billion. Tax measures that would equalize the amount of tax paid and bring in a fair tax system would yield another $12 million to $13 million. The vast part of the deficit that we currently see could be eliminated by very common sense measures. That would allow us to invest in the kind of things like a decent education system for our children, the infrastructure of this country, the environment, and regional equality.

However to do that we need a mixed economy. We cannot rely only on one sector. We cannot leave decisions and the ability to make investments in the hands of one sector. The government, the private sector, and the community sector all have to work together to get this fiscal and economic mess we are in under control and to get Canada moving again.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I would like to make a few brief comments with regard to Bill C-65 and the Borrowing Authority Act, which would permit the government to borrow up to $25.5 billion to meet its fiscal requirements.

• (1620)

I want to draw the attention of the House to an article which appeared a few weeks ago in the *Ottawa Sun* entitled "Bankrupt". It is quite an article. It states:

> Argentina, once one of the world's richest nations, is broke. The treasury is empty, inflation is raging at over 7,000 per cent per annum and unemployment has reached 25 per cent.
>
> Argentina is self-sufficient in oil and one of the world's leading exporters of meat, grain and produce.

I think that indicates what Canada is all about. It is quite interesting. The article continues:

> Back in 1945, Argentina was still rich from exporting food to a warring world.
>
> An army general named Juan Peron seized power with the backing of the nation's labour unions. Peron's strategy was simple.
>
> Promise workers ever-increasing salaries, subsidized food and housing, health care and all sorts of other benefits.
>
> The government would employ anyone needing a job.

Over the last number of weeks and years that I have been in this House, there have been indications by some parties that this is what they would like to do.

Bankruptcy does not happen overnight. It takes a number of years. You can see where Argentina, a country that was once self-sufficient and proud, is sitting today compared to where it was in 1945. Today, it is dealing with an annual inflation rate of 7,000 per cent and an unemployment rate of 25 per cent. It certainly makes Canadians realize how important it is to address the concerns of the deficit of this country.

The government recognizes the seriousness of the large growing public debt. Since 1984 the government has taken action to bring the debt problem under control.

We have some new members in the House elected in the 1988 election. They should be made aware of the climb in spending from $12.3 billion in 1968 to $109.2 billion in 1984. That is an average of 14.6 per cent per year. The deficit of the federal government climbed from $400 million in 1968 to $38.3 billion in 1984. That is a 96 per cent increase. The national debt climbed from $18.1 billion to $199.1 billion, an increase of 1,000 per cent.

It is interesting to watch Question Period time in and time out. I had the opportunity to be a member of the opposition between 1982 and 1984. You would almost think that on September 5, 1984 that this debt was something like a mushroom. All of a sudden, those who had been in power for 17 years or so had were not willing to tell Canadians at that time that there was this type of debt.

We also hear claims about government financial structuring being in dark economic times. I think it would be worth while to put on the record and refer back, if we are talking about dark economic times, to figures indicating that unemployment climbed by more than a million, from 358,000 in 1968 to 1,384,000 by 1984. The unemployment rate climbed from 4.5 per cent to 11.2 per cent. Turning to inflation, items that cost $1 in 1968 cost $3.22 in 1984, an increase of 222 per cent. We have been hearing a lot about interest rates in the last number of weeks, that they have sky-rocketed and out of control. However the Leader of the Opposition never refers back to 1981 when the Bank of Canada rate climbed to 21.24 per cent, the chartered bank prime climbed to 22.75 per cent, and a five-year mortgage to 21.75 per cent. We never hear these figures.

It seems that every time we try to indicate to Canadians that there is a very serious problem, there are still people who would like to say that the problem only started in 1984. Really, the problem that we are dealing with is the mismanagement of the economy prior to 1984. That is the problem with which we are faced. It would be interesting had we had the opportunity to come in here in 1984 with a zero deficit and had been able to move forward with all the programs that we would have liked to.

There is one other area I want to make comparison to. It indicates the way that the policies of this government are working correctly. I want to review the employment and the unemployment statistics for northern Ontario. This is only up to December 1989, but it gives a reference in this regard. In 1984 the rate in north eastern Ontario was 14.9 per cent and the annual at the end of 1989 it was 8.1 per cent. This is a change of minus 6.8 per cent. In north western Ontario in 1984 the unemployment rate was 9.7 per cent and the annual in 1989 was 5.9 per cent. That is a minus 3.8 per cent. The total unemployment in northern Ontario was 13.6 per cent in 1984. The annual average in 1989 was 7.5 per cent. That is a difference of 6.1 per cent.

For those individuals who want to say that this government has not been able to control or look after the future of this country, I think those figures indicate that the policies put forward by this government are the correct policies.

I would like to add a little good news, because we continue to hear day in and day out about the negative stuff. They say that the country is headed down the shooter and that since 1984 this government has done everything wrong. It is funny that we keep coming up with figures such as 1,604,000 jobs have been created since September 1984 and 966,000 jobs have been created for women. The national unemployment rate has fallen from 11.6 per cent to 7.7 per cent. The youth rate has fallen from 18.2 per cent to 11.9 per cent. Business investments in new machinery and equipment has climbed by 103 per cent since the 1984 election, and 215,000 new homes have been built in 1989 compared to 135,000 in 1984. The number of Canadians living below the poverty line has fallen by 757,000 since 1984, including 259,000 fewer children and 229,000 fewer adults.

It is very interesting to hear all the negative information that is given, but the reality is that this government is moving forward in a lot of ways to ensure that there is a stable future in this country.

Let us look over what the federal government has done in the province of Ontario to ensure stability there. I would just like to look at a few of areas. Again, we never hear about the good things that are going on. I think it is only right when talking about a borrowing bill and fiscal management that we look at the way in which the Minister of Finance and the Prime Minister have

done such a superb job in ensuring that the enhancement and opportunities for all Canadians are there.

We can look at the agricultural side with the federal government participating with a $30 million tobacco assistance program or at the establishment of a bank for surplus maple syrup, which helps a lot of eastern Ontarians. I know my colleagues from the province of Quebec would certainly applaud this type of program. The federal government provided $6.5 million for renovating the veterinarian college in Guelph. The list is so long that I just do not have the time to continue.

However I just want to go to a few other areas. I noticed earlier that a colleague from the NDP was mentioning housing. An agreement in clearing the way to construct 6,700 non-profit housing units in Ontario has been signed by the federal and provincial ministers of housing. I should congratulate our Minister of State for Housing. He is doing a superb job, not only in Ontario but across this country. Earlier this month I had the opportunity to participate in a sod turning ceremony in New Liskeard.

In March 1989 in Ottawa, Ontario a working agreement to fund literacy initiatives in the province was developed. Funding arrangements were announced in June 1989. These projects are part of a $110 million federal literacy strategy announced in September 1988.

• (1630)

I would like to break it down into parts where I think it is so important. We talk and hear about the ongoing process of regional development over the next five years. This government has recognized how important regional development is. In recognizing this we have put $225 million to be spent in regional development in Ontario. Part of that is $100 million of expenditures under IRAP, or the older DREE programs.

I would like to touch on the area of northern Ontario because I want to applaud the Prime Minister, the minister of industry, the government House leader and the finance minister for really looking at this area with initiatives that can help. I would like to talk about FedNor and the way that we have been able to develop a program that has given the opportunity for investment in northern Ontario.

It also has given an opportunity for a board to be set up with a system of offices, whether we are looking at Thunder Bay, Sault Ste. Marie or Sudbury, where officers are working directly with everyone in northern Ontario. We are looking at a program that has $55 million of new money available. In fact, we have topped it up with another $14 million in the budget this year. On the night of the budget, it was interesting to hear members of the opposition crying that FedNor was dead. Instead, this government recognized regions of the country, like northern Ontario, and increased the budget by $14 million.

With money such as that we have been able to do projects, whether it is the Sudbury Nuetrino Centre, which is world class, whether it is a new plumbing fixtures company in North Bay or whether it is money toward the winter Nordic games in Thunder Bay.

We are going through some very difficult times in my area. It is one of the unfortunate facts when you live on resources. When you have been involved in forestry or mining for a number of years, as a mine opens you know it is one last day before it is going to close. We have gone through some difficult times both in the iron ore and the gold and silver sector. With a combination of five cabinet ministers, the Prime Minister and a striking committee, we have been able to resolve some of the difficulties and change some of the problems we are facing.

The other part of the FedNor program is to ensure that tourism, loan guarantees or the opportunity to establish co-operation between both provincial and federal departments does indeed take place.

The PC government income tax reform proposals means a fairer system with lower rates which will benefit all Ontarians. Earlier, we heard about tax and tax reform but we never heard the good part. It is that 300,000 Ontario residents will no longer pay federal income tax. Almost 4.5 million have seen their taxes cut. Small business tax rates have been cut and a full $500,000 capital gains exemptions for small business began in 1988.

Agriculture continues to enjoy one of the lowest tax rates of any sector with the lifetime capital gains exemption for farmers remaining at $500,000.

Ontario's economic output is estimated to increase by 1.1 per cent after the 13.5 per cent manufacturing sales tax is replaced with the 7 per cent GST. As someone who

was involved in business for 18 years prior to being elected, I can say how confusing this tax system is.

We are competing in an international market-place. We are competing where products come in from outside the country. We are also competing with products that are built here in the country. We must ensure the opportunity for fairness, for the manufacturers to be successful not only in this country but to be able to compete on an international basis.

Another problem we faced was dealing with companies with tax licence numbers, whether they were sawmills or mines, at the end of the year. The auditors might suggest that the company can claim this case of paper towels because it is used on the production line. Revenue would end up getting a whole raft of invoices from individual companies stating "We believe that this should be clarified and be part of tax exemption". So, Revenue Canada, an accounting company and the individual company would have to try and resolve these problems. The new tax system will be easier and fairer for all Canadians. As we all know, no one likes to pay tax.

We are dealing with the same arguments we heard about the free trade agreement. Individuals are using scare tactics in order to enforce their political beliefs on individuals. They will know better once this tax system is in place and individuals earning under $30,000 a year get their first cheque on or about December 15. They will realize it is a Christmas gift.

I was at home on the weekend and a constituent told me that after having the opportunity to read and understand the process, while he does not like to pay the tax but now can understand what we are dealing with.

The Economic Council of Canada stated that the free trade agreement will lead to the creation of 95,000 new jobs in Ontario. I know the opposition has a job to do , but the fact is that the stability of the country is a result of the actions of the government. As a result of these expenditure actions revenue measures, the deficit in 1989-90 has declined by almost $8 billion from that of 1984-85 when it peaked at $38.3 billion. This represents a reduction of 45 per cent in the deficit-to-GDP ratio.

The growth of the debt has slowed dramatically and is now roughly in line with the growth of the economy's output of goods and services. Behind these improvements in the government's deficit there are even more significant changes in the ongoing structure of government spending and revenue.

The government now has a $9 billion operating surplus. The cost of government programs is more than completely financed by ongoing government revenues.

With the annual deficit of $30 billion, debt interest costs increase $3 billion each year just to service the annual build-up in debt. This means that the operating surplus has to improve by $3 billion each year just to keep the over-all deficit from rising. The problem is compounded by the vulnerability of the government's fiscal situation to increases in interest rates.

This exposure to interest rate developments was dramatically illustrated in late 1988 and through 1989. With the economy at capacity and inflation pressures mounting, higher than anticipated interest rates added about $6.5 billion to public debt charges in 1989-90 relative to the fiscal framework projected in the February, 1988 budget.

In response, the April, 1989 budget introduced substantial expenditure reductions and revenue measures. With the actions in this budget, the government was able to set out a fiscal framework designed to deal with Canada's fiscal problems.

Since the April, 1989 budget, inflation pressures have proved to be more strongly entrenched than expected. This has resulted in interest rates remaining higher than expected. Further fiscal action has been necessary to hold the fiscal framework set out in the April, 1989 budget.

When we talk about that, we should mention the fact that there was a budget just brought down in the province of Ontario. It is quite interesting to read that the real growth is projected at 1.7 per cent but the planned spending increase is at 6.8 per cent. This indicates to me one of the greatest problems we are facing. We are trying our utmost to ensure that we have stability in this country and we are trying to do our utmost to ensure that we have a steady economy going. However, how can we do it when the province of Ontario will not try to curtail its increased spending but only ensure that we are going to have more pressure put onto our dollar, causing higher interest rates.

• (1640)

Mr. Speaker, I know that you are giving me a signal that my time is coming to an end. Our actions in the February 1990 budget, together with measures announced by the President of the Treasury Board in December, reinforce the momentum of earlier measures. These ensure that the goals of the April 1989 budget will be reached.

In closing, I want to say that I think that this government and this finance minister should be applauded for the manner in which we are managing the economy and ensuring the future of our children and our grandchildren. I hope that we can look at quick passage of this supplementary money.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to be able to take part in this debate today, on third reading of the government's borrowing bill, because it gives an opportunity to review the really disgraceful financial performance of this government, that we have been witnessing in this House, for me only since November of 1988 but for other members on this side it has been since 1984. The disastrous consequences of those policies are coming home to roost on Canadians, as they are faced with massive tax increases, in addition to the numerous tax increases they have already had under this particular government of incompetence.

I wanted to start by referring to the speech just made by my hon. friend who spoke about the increase in the Ontario budget. Ontario has a Liberal government and I am sure that fact is not lost on hon. members opposite. It certainly is not lost on the general public in Ontario because I think they realize with that government the difference between competence and incompetence.

Here, in Ontario, they have a government which is able to balance the budget. It inherited a very substantial deficit from its Conservative predecessor government and it has managed to bring that deficit completely under control. It managed to have a surplus last year on its accounts and this year it has budgeted for yet another surplus, in spite of the fact that a $490-million cut in its transfer payments to that province has been announced in the Minister of Finance's budget. In addition, a $1.2 billion cut in transfer payments has been applied to that province since the current Minister of Finance became that minister in 1984. In other words, the province of Ontario has suffered greatly at the hands of federal government in terms of the funds that were made available to it. In spite of that, it has managed to arrange for a balance in its budget.

It was interesting to listen to the hon. member bleating on with his figures trying to blame every shortcoming of the present government on previous Liberal governments, doing his best, to make it appear that all the blame could be laid there, which even the Minister of State for Finance knows is nonsense.

He neglected to talk about the Ontario civil service because he knows that the province of Ontario is one of the best managed in Canada. I would not want to draw any unfair comparisons with other Liberal provincial governments in this country, and there are some very, very good ones, but the one in Ontario is, I submit, an outstanding example of fiscal prudence and responsibility.

What we need to do is look at the figures for the civil service in Ontario. This government has made a great trumpeting cry about how oversized the civil service was and has announced that it has cut 12,000 jobs, I believe, from the civil service since 1984. Anyone who has any familiarity with the way the civil service works knows that all the government has done is cut the jobs and farmed the work out on contract to their fat-cat Conservative friends. That has been going on now for five years and it continues. One can look at the figures provided on the number of civil servants per person in the population. Ontario, which administers such extensive programs as health care, education, and maintenance of highways in the province, has a civil service of 83,300 people. Ontario's population is 9,598,000, so that there is a ratio of 115.2 people for every civil servant in the province of Ontario.

Compare that with the government of Canada which, after all, does not bear such heavy responsibility for such intensive programs in any part of Canada, except possibly in the Territories. It has a civil service of 294,400. The population of Canada at 26,151,000 yields a ratio of population to civil servants of 88.8. With 88.8 as compared with 115.2, one gets some idea of why the federal government has difficulty curbing its expenditures and getting them under control.

There is something else that the hon. member who just spoke neglected to mention. He spoke about the great control the government had exercised on government expenditures. Let us take a look at revenues. In 1984–85, the year he said was such a dreadful year for Canadians, government revenues were $70,898,000,000. In 1988–89, the last full financial year, they were $103,981,000,000, an increase of some $32 billion over the five years of Tory mismanagement.

That is the kind of record we are supposed to be proud of. This is a record the government says is a great one. Well, I think it is a disgraceful record and I think most Canadians agree. If the government is so great, why does it not resign, put its record on the line, and go to the people to see what they think about the record.

That $103 billion, incidentally, was the revenue before the goods and services tax comes in. The government itself admits that the goods and services tax is going to be helpful in reducing the deficit which means it is going to produce more income than the current manufacturers' sales tax. Finally, that admission has been made. It is right in the document.

The government, through its incompetence, keeps raising taxes and spending more at an alarming rate. Spending has gone up by the same amount over the same period. Yet, the government says the reason for its inability to control expenditures and its requirement to raise taxes is all because of the previous government. Everything is blamed on the previous government. Every time we hear speeches from members on the other side, they harp back to the good old days of the Liberal government, telling us that if it was not for those profligate days everything would be coming up roses now.

Well, it was not the Liberal party in 1984 that promised to bring fiscal responsibility to Canada. It was not the Liberal party that said the deficit was going to be reduced to almost nothing within the first term of office of the government. It was the Conservative party that made those promises. It was the right hon. Prime Minister who made those promises. Of course, there is now a string of broken promises.

The Minister of State for Finance said—he did not use these words, of course—that the reason the government could not keep its promises is because of those bad old days. In fact, he knows that the reason for the problem now is the complete inability of the Minister of Finance to manage the affairs of the country and the government. The whole cabinet is party to those decisions. I submit they are all equally to blame and they are all equally incompetent.

Another criticism we hear from the other side is that never, ever, does the opposition make suggestions on how to bring about a balanced budget. The government somehow feels it is our responsibility, as elected members of the House but sitting in opposition to the government, to provide the government with all the answers. I do not think we need to do that and I will not go into all the answers. But I will suggest that the government itself pays for its advice on how to solve its financial problems and, having paid the money, it ignores the advice.

This year, the Economic Council of Canada prepared a very significant and detailed statement called "Legacies" in the form of their twenty-sixth annual review. The Council is the primary economic advisory board, if you like, to the government. It was designed and created in the 1960s over the objections, I may say, of the Conservative party of the time. It did not think it was such a hot idea and I urge the Minister of State for Finance to look at the speeches given on those occasions by the right hon. Mr. Diefenbaker, then Leader of the Opposition. He felt it was a bad idea. I do not know exactly why, but he was not much of an economics expert himself. In fact, the only government I can recall that has managed worse than this one in this century was the one headed by the right hon. John George Diefenbaker, and Canadians expressed their views on that government in the elections of 1962 and 1963.

• (1650)

The fact is the Economic Council of Canada published this review and it contained certain information for the government. How much did the advice contained in this report cost? Well, I do not pretend this is the only publication of the Economic Council, but I checked the Estimates for last year. The total estimated budget for the Economic Council was $9,515,000—roughly a $10-million exercise. There are 118 people shown on the list as person-years working at the Economic Council and they produced a report. They produce more than this; I do not belittle their efforts. In fact, I suggest that this report is probably pretty good. It certainly details the problem that the Minister of Finance whined and whim-

pered about for months, once the election campaign was over. That was the national debt.

So, it presented this report. It was available to the government. My recollection is that it was available before the Budget was handed down—I do not know the date it was tabled in the House, but my recollection is that it was available. It contained information that would have helped the Minister of Finance balance his budget had he really wanted to do so.

We know, of course, that this is all a lot of frilly talk and nonsense. The Minister of Finance has no more interest in balancing the budget than he had in 1984 when he made the promise to Canadians that he would do it. In the 1985 budget, he told us that the deficit this year would be less than $15 billion. We all know that, in fact, it is double that. He was just dead wrong. He was wrong is 1985, he was wrong in 1986, 1987, 1988, 1989, and, I suggest, he is wrong in 1990.

Let us look at what the Economic Council of Canada suggested. In great detail, the council gave arguments that the Minister of Finance has used, stating that the national debt was a serious problem for Canada. Then it said:

> Within the realm of what is controllable, we consider the following possibility.

The Minister of State for Finance might want to listen to this because he may need this kind of advice. He may soon be replacing the Minister of Finance who has not been very successful.

> Suppose a two-year freeze (in nominal terms) were implemented in five areas of government spending, effective from 1 January 1990 to 31 December 1991. Normal expenditure growth would resume on 1 January 1992 in the affected spending categories. There would be no "catch-up"—i.e., the reduction in spending attributed to the freeze would not be recouped. Thus the level of government spending in the categories affected would shift downward. For the purpose of our analysis, we chose the following areas as those being affected by the freeze: capital assistance to business; subsidies to business; transfer payments to the provinces; the indexing factor for family allowances; and the hiring of federal public servants. (We assumed that the provinces would respond to the cut in revenues by raising provincial personal income taxes.)

Now, I note that the Minister of Finance took this advice in part and, of course, you can guess which part he took. He took the part that put the freeze on the payments to the provinces. He decided to put the squeeze on them instead of putting any squeeze on his caucus colleagues who are the big time spenders in the big time league here. Later, I will provide some examples of their profligacy, but I will leave that for a few moments to finish this point.

The Economic Council also said:

> If such a freeze were implemented, the reduction in government spending from the base-case level would be $4.6 billion in 1992. A revenue loss of $1.6 billion would also occur, however, as the immediate effect of the freeze would be to lower the level of economic activity.
>
> By the end of 1992, therefore, the improvement in the government deficit would be about $3 billion. By itself, the freeze would advance the "crossover" date by two years—

—that is the cross over from a deficit to a surplus—

> —from 1998 in the base case to late 1996.
>
> Suppose that, in addition to the freeze, an easier credit policy were to be instituted, so that by the end of 1991 nominal rates of interest would be lower by about 2.5 percentage points (250 bases points). Under those circumstances, borrowing costs to the federal government would be reduced by about $7 billion in 1992. In addition, easier credit would stimulate the economy, thus replacing some of the demand lost as a result of the spending cuts. This would turn a revenue loss into a revenue gain. By 1992, the budget would be in balance, and by 1995 a strong surplus would be recorded. If such a policy were pursued for the duration of the decade, a substantial portion of the existing debt stock could be paid down.

There you have it, in black and white, from the Economic Council of Canada. The Economic Council was paid $10 million to provide this advice, among other things, and the Minister of Finance ignored the advice. He took it in part, but he took it in very selective bits. I submit that he chose the part that he felt he could sell, because he could force the costs onto other people and onto other governments, and he ignored the part that applied to his own misspending. I submit it shows a complete lack of concern for Canadians. What he did was to say: "We are not willing to bite the bullet on anything. All we are willing to do is pass on our debt problems to the provinces and let them muddle through as best they can."

Not only is it unfair because it hurts the smaller provinces and the ones that are least able to pay, but it helps to divide the opportunity within Canada for a national government to assist in ensuring that Canadians in all parts of the country have equal opportunities. If Ontario is able to pick up these cuts in federal transfer payments easily because of its very significant and substantial tax base, how can it be fair for a smaller province to be expected to do the same and administer

the same programs? We have been making this point in the House for months.

The government does not care about the remote parts of Canada. It is prepared to write them off for the sole purpose of ensuring that it can win seats in central Canada. That is all that is of interest to it. One only has to look at the last set of election results to realize how precarious the government's position is. In the province of Ontario, the government barely won half the seats in the province. In fact, this party did exceedingly well in that province. The fact that so many of us are here from eastern Ontario is testimony to the government's failure to sell its vision of Canada, even in large parts of Ontario. I realize Quebec was a different situation, but I am sure the next election will correct that.

This Economic Council report perhaps did not get all the publicity it might have received when it was tabled. Perhaps that is why we have not heard a lot about it. Certainly, we have not heard the Minister of Finance discussing it at any length, but it certainly attracted some attention in other places.

One was the Canadian Federation of Independent Business in its pre-budget submission to the Minister of Finance which, of course, he would not receive in person. It had to be delivered. The federation strongly recommended that the minister look at the report of the Economic Council and adopt the recommendations contained in it.

Other groups made similar submissions to the Minister of Finance and called on the government to stop the cuts in areas that were going to be damaging to the regions of Canada. Yet, the government continued on its merry way, ignoring the advice of the Economic Council and choosing instead to adopt its own set of advice which will leave us with a substantial national deficit in Canada throughout the remaining term of this government and for many years beyond. The Minister of State for Finance, I am sure, could give us the figures for the deficit that the minister is projecting for the next few years. I would suggest that if Canadians are to take the minister's figures at face value, at least the one for five years from now—and I assume it is going to be in the $14 billion or $15 billion range—it should be doubled. Certainly that has been the experience with this government in the past.

• (1700)

The figure that the Minister of Finance gave us in 1985 in his budget was that the deficit this year would be under $15 billion. In fact, we know it will be more than $30 billion. The minister's projections are consistently wrong and I suggest that when we hear them we should double them, at least if we are projecting a few years ahead.

The other thing that I thought might be useful is to look at the government's own document, *A New Direction for Canada; An Agenda for Economic Renewal*. This was the document that was tabled in the House of Commons on November 8, 1984. It was supposed to be the great new policy paper that explained the wonderful things that were going to happen to Canadians through the next five years of Tory mismanagement. Certainly it did indicate a certain weakness in government.

I am glad to see that the Minister of Transport has joined us. His knowledge of control of government expenditure, I know, is substantial. I am sure that in the next year he will cut the cost of the Department of Transport by reducing the gouged salaries that are being paid to the officers of Canadian National. Having closed down the railway in Canada, supposedly to cut government subsidies, the government now takes the extra subsidies and piles it into its own pocket.

These payments should not be allowed. This government should roll those increases back. That is where the money is going. Where are the profits going? They are going into the pockets of the directors in the form of increased fees. It should not be happening. This government says it needs the money for the railroads. It closed down a whole lot of lines in VIA Rail and now it is going to pay the people who did that hatchet job additional money. That is unfair.

The Acting Speaker (Mr. Paproski): Questions or comments? Debate. The hon. member for Ontario.

Mr. René Soetens (Ontario): Mr. Speaker, I appreciate the opportunity to participate in this debate today. I must extend to you my condolences. I am on duty now. I have been sitting here listening to a speech. From four until seven on Monday afternoon I am obliged to come to this House and represent the interests of my party, as do a lot of our other colleagues. We have to sit and listen to speeches. I have just listened to a speech for 20 minutes

and I only have to listen to this kind of speech for three hours a day. I understand that you have to listen to this day in and day out for five days a week. My condolences are extended on the basis that you have to tolerate speeches of this nature that castigate or credit the government. I do have great sympathy for you.

I am really pleased to participate in the debate on this borrowing bill. We are asking the people of Canada to allow the federal government to borrow another $26 billion or so. That is an awful lot of money. I would be just as happy to stand here today and say that we are not borrowing any money, that this is a bill to pay down some of our debt.

Unfortunately, that is not what is in front of us today. We are having to borrow money. Why are we having to borrow money? There is no secret to it. We are spending more than we are collecting. That is it in a nutshell. We are here to ask for money to pay the bills for those things we are going to spend money on.

I listened to my colleague opposite who just finished speaking. In his whole debate did he make one suggestion about where the government might have spent a little less money, or where the government might have cut $500 million here, $2 million there, or $3 billion there? Did you hear any concrete suggestions, Mr. Speaker, as to how the government might further cut its expenditures? No. In fact, you did not hear any concrete suggestions at all from the member for Kingston and the Islands. I understand that. He will argue that that is not his role.

The member did bring out the book called "Legacies" put out by the Economic Council of Canada. He quoted from that book. We have all received copies of that book. He did make some valid comments about the recommendations contained therein. I say comments, but really what he did was read what they said. But did he say he agreed with their recommendations? No, he did not. Did he say he disagreed with their recommendations? No, he did not.

Let me just refer back to their recommendations so that you can determine for yourself whether you think that we as a government are moving in the right direction. He was quoting from page 28 and 29 with regard to an alternative Canadian policy. It says:

> There would be no "catch-up"—i.e., the reduction in spending attributed to the freeze would not be recouped.

That relates to their recommendation for a two-year freeze in five areas of government spending. For their purposes they chose as one of the areas to be affected by the freeze the capital assistance to business. Well, as you know, in the budget there were in fact a number of capital assistance programs cancelled. They were not just frozen but out and out cancelled. That is what the business community wanted. In fact, in the process in which I was involved on the goods and services tax we travelled across Canada and heard more and more business groups saying to cut out the grants to business. You will find that in fact the government did exactly that.

Did the member who spoke previously agree with that? I appreciate he is a Liberal so he really does not want to show his position on some of these issues.

Mr. Richardson: Or he does not know.

Mr. Soetens: Or he does not have a position, or he does not know. That is right.

Subsidies to business was another point he referenced. As I have just mentioned, we have addressed the subsidies to business. In fact, our position now is that business subsidies are in fact loans that are repayable, unlike the kind of loans that previous governments were involved in.

I can recall a loan from a Liberal government of the past to a trucking company which hauled material back and forth between Montreal and Toronto. Did that government honestly believe that if a certain trucking company went bankrupt goods would stop flowing between Montreal and Toronto or vice-versa? It did. It lent that company money. The company went broke anyway and the end result was that goods still travel back and forth between Toronto and Montreal. The difference is that it took an awful lot of taxpayer money with it. That is the difference between Conservatives and Liberals. We do not make loans of that nature.

Mrs. Catterall: No, you specialize in strip clubs.

Mr. Soetens: Here is another one. The member mentioned transfer payments to the provinces. If you read all the newspaper articles from across this country and listen to budgets of various finance ministers or treasurers from the various provinces you know that they are criticizing the federal government for not freezing transfers as was recommended by the Economic Council of Canada. We only increased them 3 per cent. Can you imagine? We did not give them less money, we did not

give them the same money, we gave them 3 per cent more than last year, which is not what the Economic Council of Canada is recommending. Did my hon. colleague who just spoke say that was good or bad? No, he did not talk about that.

Another recommendation was that the indexing factor for family allowance be cancelled. I did not hear my hon. colleague say that he agreed with that. He must, I guess, because he brought out this book and he quoted the recommendations so I have to presume he agrees with that philosophy of deindexing family allowance. Well, that is not a policy that we espouse. It is not one we are following but it seems, since he wanted to use the reference, that he must agree with that.

The book talks about the freeze on the hiring of federal public servants. Of course, Mr. Speaker, as you know, in this budget we in fact are reducing the number of employees by some 1,000 over-all. So we have done some of the things recommended here and some we do not quite agree with, because it is not fair to out and out freeze transfers to the provinces.

My colleague did refer to the good province of Ontario. He and I are both residents of the province of Ontario and we both represent constituencies in this provinces. He proceeded to compare the government we have here in Ottawa with the government that exists in Toronto. He talks about competence. I am not going to suggest that either government is incompetent. I think there are elected officials in both jurisdictions trying to do the best they can with the resources available.

One the the differences is that the Liberals in Ontario inherited a government which, for 42 years, had been well managed. They did not inherit a budget circumstance where 50 cents of every dollar that was being spent was borrowed money. We had a deficit of $38 billion federally versus a deficit of some $1.5 billion provincially. He did not seem to want to mention that that really changed the lifestyle.

• (1710)

He talked about the budget surplus in the province of Ontario. I am a resident here and I recall how the Ontario Treasurer really raised the roof that our supposed cut-back in transfer payments was going to desperately affect his budget. Well, they were able to increase their spending by 6.8 per cent while we held ours to 3 per cent. What was the matter with them? Why did they not hold their spending to a 3 per cent increase? They were able to do 6.8 per cent more even though, he argues, we cut their transfers by $490 million.

As you know, we did not cut their transfers. They got more money than they got last year but, having said that, they still increased their spending by 6.8 per cent. I am happy that they were able to have a budget surplus this year. That is the way it should be. But did you hear him mention the employer health tax that was put in place across the province of Ontario? I do not think you did. Although that tax was in last year's budget it came into effect this year and that employer health tax in fact is an added burden on Canadian industries substantially in excess of what they were collecting through the old OHIP premium basis.

The member talked about the federal civil service. We have reduced our civil service by 12,000. The province of Ontario has increased theirs by 8,000. We went down 12,000, they went up 8,000. Ontario only had 83,000 civil servants so it only took it five years to increase it by 10 per cent. Having increased it by 10 per cent, is the service the province of Ontario is providing better and more efficient than what was in place five years ago? I can honestly and very comfortably say to you, Mr. Speaker, that it is not better.

In fact let me give you some very clear examples of where it is worse. The whole morale in the system has been destroyed. There is a psychiatric hospital in my constituency. It used to report to one minister and one ministry for its funding, its programs and the delivery of its service. It now reports to three different ministries, three different deputy ministers, and the end result is that it cannot get any decisions out of any one of the three. The whole morale and service of that hospital is suffering badly because of that kind of inequity.

All right, the government is spending more money in Ontario. It is kind of proud of what it is doing. Last year it provided funding to the school boards in my constituency to allow them to build, in the region of Durham, some five new schools. This year it is giving them not one dollar for capital construction. One might argue that maybe my constituency does not need more schools. I should advise you, Mr. Speaker, that today as I stand here debating this issue we have over 200 portable classrooms in my constituency. At this time next year,

without the addition of any new school facilities, it will probably be in the realm of 225.

How does the province of Ontario justify not putting any money into a high growth area that needs schools? It justifies it because it hired 8,000 civil servants. The salaries of those 8,000 civil servants would in fact pay an awful lot of school bills.

Things are different between the federal and provincial governments. Our hands are tied because we inherited a deficit that we had to deal with, whereas the Liberal government of the province of Ontario inherited a very healthy, stable economy from a previous provincial government with a budget that was well managed. That is absolutely contrary to what we inherited here in Ottawa.

I mentioned at the outset that nobody from the Liberal party, and certainly not the previous speaker, came up with any suggestions about how we could perhaps borrow less than the $26 billion. As you know, we came up with the GST proposal in our report and I note that the member did not really comment on that. The same report to which he was referring talked about the improved competitiveness of the Canadian economy. This report talks about the 9 per cent GST. When this was written, that was to be the rate of the GST. It talks about how much better it is going to be for the Canadian economy to deal with deficit reduction and the competitiveness of the Canadian economy. He did not get around to quoting those.

This report does comment on a reduced GST rate and suggests there would be some benefits to that. We came through with that. It is interesting that he ignored those comments in this book as well. That is understandable. One only wants to quote those statements which support one's particular view. I understand that.

I would like to come back to that GST report which the finance committee brought forward. I was a member of that committee, and quite proud to have been so. We came in with some excellent recommendations.

One of the recommendations we made was to establish an expenditure review committee. Many witnesses who appeared before us said that we have to cut spending. We did not allow those witnesses to pass on their comments about where we ought to cut spending because that really was not the role of the committee. Instead, we established a subcommittee and recommended, after the GST report was in, that the finance committee invite Canadians to make a submission to it as to how the federal government could cut some of its expenses.

At our first meeting, members of the Liberal party and the New Democratic Party who were members of that committee decided that they were not going to participate. They did not want to have anything to do with any submissions on how we might reduce our expenditures. They walked out.

Therefore, we know they are not interested in reducing expenditures. We know they are not interested in looking for ways of reducing expenditures. More to the point, they are not interested in allowing Canadians, who have some good ideas, to tell them their ideas.

You should be aware, Mr. Speaker, and maybe proud of the fact, that this committee carried on its process. We invited all those Canadians who had made submissions to the goods and services tax committee to come back and give us their expenditure reduction ideas. Unfortunately, we did not get an awful lot of submissions, but you can be rather proud that one of the better submissions we got was from the Edmonton Chamber of Commerce.

I know that your constituency is in Edmonton, Mr. Speaker, and you will be happy to know that there are some people who made excellent submissions and certainly the Edmonton Chamber of Commerce was one. We will certainly deal with that in committee.

The hon. colleague who spoke previously talked about the GST and how it was going to be a cost to Canada. He might consider it a cost. I happened to attend a meeting this morning in Toronto of an industry group that generally does not pay tax. To me it was a perfect example of why the government has to proceed with the goods and services tax.

It was a meeting of an industry that sells comic books. I did not know this detail until I spoke to this group. When you sell a comic book that is stapled together, it is taxable. If it is not stapled together but bound, it is not

taxable. The difference as to whether it is taxable or not is a staple.

The fourth edition of a comic book in the same year, even though it is stapled together, is not taxable.

Mr. Richardson: This is the current system?

Mr. Soetens: This is the current system; the system that my colleagues here to the left want to keep in place.

Further, if there is an ad for something taxable in that fourth edition comic book that is not taxable, all of a sudden that book becomes taxable again. This is the stuff that my hon. colleagues on the left are all in favour of. That is one of the reasons why we got rid of it.

• (1720)

It was explained to me this morning by the group that is involved in this particular industry that by removing the federal sales tax from their inputs it is going to be more competitive with all kinds of comic books and games and novels that are imported into this country. They had clear examples of where they were uncompetitive because of the Canadian tax structure. They were positive about how they would do more business. That is, in fact, what the Government of Canada said.

Referring again to this book that my hon. colleague used a little while back, the Economic Council of Canada says we will do more activity by the elimination of the federal sales tax and replacement of it with the GST. We will do some $9 billion or so in extra economic activity. That is jobs. That is investment. That is a return to Canada of increased economic activity. That is healthy and that helps the deficit because, as you know, Mr. Speaker, taxes are inevitable under our system. As a result of that $9 billion of increased economic activity, people will pay more taxes and that helps to reduce the deficit. There is a very positive relationship between the GST and the deficit. My hon. colleague just ignores the fact that the GST will have anything to do with improving the over-all deficit projection.

There are some very clear, very concise moves that the government has taken on the goods and services tax which will in fact yield increased economic activity and will result in a reduced deficit.

Colleagues down the way are upset that the government would reduce its deficit, and I can understand why. So far they have been totally bereft of any policies. Their only hope for an election platform for the next election campaign is that those mean, bad Tories did not reduce the deficit. Their fear is that if we reduce the deficit, which we are going to do, they will not have anything to campaign on because they are totally bankrupt of ideas. Not only are they bankrupt of ideas, but I understand that their party is not all that well heeled financially either. In addition to being bankrupt of ideas, they might be bankrupt of over-all thought processes. There is another perspective that might be of interest.

I have another point to make about industrial competitiveness. I am glad the hon. gentleman quoted this book because it has an awful lot of very good information in it which he chose to ignore. It says:

> —Canadian productivity growth rates have exceeded those in the United States. According to figures compiled by Statistics Canada and the U.S. Bureau of Labour statistics, this is especially evident in transportation and storage, utilities, construction, and finance, insurance, and real estate— Since all of these industries produce important inputs to manufacturing and resource production, their strong productivity growth gives a boost to Canada's competitiveness.

I guess he did not see that. Just so that you are aware, Sir, that is on page 12. I would hope you would look that particular paragraph up as well because you may find it very interesting. Of course, there are an awful lot of very good quotes in this book on Canadian competitiveness. Again, I am pleased that the hon. gentleman used that book because it provided me with an opportunity to explain it all.

Mr. Milliken: You would have used it anyway.

Mr. Soetens: Actually you are right. I probably would have used it anyway.

The other point I would like to come back to is this idea of provincial governments being, shall we say, asked to carry the burden because we are reducing some of our expenditures. I mentioned, as an example, that in my riding, although there is a desperate need for schools, the provincial government chose not to fund one additional classroom.

I should also point out that in my riding in the last provincial campaign the provincial Liberals came in and said that it was going to fund an addition to our hospital of 125 beds. Mind you, the towns of Ajax and Pickering

would have to raise some $7 million before the provincial government would kick in its share.

Needless to say that $7 million has been in the bank for a year. it seems that the provincial government has come along and said that it is sorry, it cannot fund it this year. There is an election coming, so maybe during the election it will fund the hospital.

I guess I am suggesting that over all the federal government has done a fine job of controlling its expenditures. I am sorry that I have to debate a bill to borrow $25 or $26 billion more, but maybe next year we will be debating a bill to borrow an awful lot less and the Liberal party will have given us, I am sure, all kinds of ideas on how we can borrow less money.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I of course enjoyed the numerous references in the hon. member's speech to my own. I know that he has now had a good long look at "Legacies", the twenty-sixth review of the Economic Council of Canada. I did not forget anything in the report, I just did not have time to read all the figures and statistics out of it which, clearly, he found of such interest.

The fact remains that the report made it clear that the budget deficit could be brought under control if the Minister of Finance took certain steps, and there was a recommendation contained in there. I used the recommendation as an indication that the government does not need advice from us on how to bring the deficit under control when it is paying $10 million to the Economic Council of Canada to provide it with that advice.

The fact is that, even if we were to provide the advice, this government ignores it. We have the evidence there in the form of the Economic Council of Canada report. We have seen the evidence in the Minister of Finance's own budget. He has clearly ignored the recommendations.

Will the hon. member tell us why it is he thinks the Minister of Finance has ignored these recommendations and is letting the deficit remain high, in fact go up? He referred in his speech to the deficit going down. It has not gone down, it has gone up over last year. He knows that. I know he would not want to mislead Canadians into thinking that the government is doing something that it patently is not.

Can he explain why it is, in his view, that the Minister of Finance has ignored this advice and is increasing the deficit at a time when he says it is so important that it be reduced?

Mr. Soetens: Mr. Speaker, I would be happy to respond to that. From all the information I have, the deficit for 1989-90 was $30.5 billion. The projected deficit for 1990-91 is $28.5 billion. My first response to the hon. gentleman is that $28.5 billion is less than $30.5 billion. Now that is Conservative counting, not Liberal counting. I just point that out.

Second, he asked about some of these recommendations. Why did the finance minister not accept them? That is the difference between us. It recommends that we should freeze transfer payments to the provinces. We know that there are provinces in this country that cannot afford to have a total freeze. He ignores that. He would just a soon that provinces like Saskatchewan, Manitoba, Alberta, Newfoundland and Prince Edward Island be frozen. Well, we know, as Conservatives, that we cannot do that.

It refers here to the indexing factor for family allowance. He says that we should deindex those things. Well, his party is going to have to make up its mind. The last time this government tried to deindex something, some five years ago, those people railed against it. They are going to have to make up their mind. Do they agree with full indexing, or do they not? It seems, if they are going to ask why we did not follow these recommendations, that they are either for them or they are not. It seems that they do not have the courage to take a position on these particular programs.

We are willing to take advice. Yes, we did not take all of their advice. But since he wants us to, why does the hon. gentleman not say: "You were right to take the advice of the Economic Council of Canada and put in place the goods and services tax"? Maybe he did not want to take that particular portion of these recommendations into consideration in his questions and comments.

He is going to have to make up his mind. He wants us to freeze payments to the provinces that do not have the abilities, and he does not want us to put the goods and services tax in place. Now, which of these recommendations of the Economic Council of Canada does he want us to follow?

The Acting Speaker (Mr. Paproski): On debate, the hon. member for Ottawa West.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am so glad I came in to hear the member for Ontario speak. It was somewhat confusing initially, but I must say it has inspired me. It was confusing because when I first walked in I thought I was in the Ontario legislature. I was pretty sure I had taken a wrong turn somewhere between Ottawa West and Parliament Hill, because we were talking about the fine performance of the Ontario government in controlling its deficit and its spending. Then I heard the member for Ontario—and maybe he is a little confused because of the name of his riding—complain about the goodies that have not been coming to his riding.

• (1730)

What did he expect to happen when his government reneged on cost shared programs with the province? Did he expect that the province of Ontario was going to let children go hungry because there was not enough money for social benefits? Did he expect that it was going to cut back on day care because the government was refusing to meet its commitments to cost share that program? Or, did he expect that it was going to kick kids out of university because the government was cutting transfer payments for post-secondary education?

I am sorry if the government's own actions are coming back on its own members in their own ridings. They have nobody but themselves to blame.

Then, as I listened a little further, I honestly thought that a miracle had happened and suddenly we, the Liberal opposition, were in government and that the people opposite were in opposition. I heard the member attacking the policies of the Liberal party. I thought how wonderful, here we are controlling the economy and the budget and they have nothing to do but criticize what they anticipate or project to be Liberal policies. It has put me in very fine form to comment on this borrowing bill.

We are borrowing $25.5 billion. That means we are adding that much to the national debt of $362 billion. The government likes to pretend that the amount of money we are borrowing and the amount of debt we have have absolutely nothing to do with the annual deficit that Canadians are paying. Of course it does. What you pay in annual payments depends on how much you already owe.

One thing that has struck me as I have looked at the budget documents is that five years ago the deficit was fairly evenly split between paying for programs and paying interest on debt. Now the deficit is not even enough to cover the cost of our borrowing. All the deficit goes to pay interest on debt, and then a good chunk more comes out of operating budgets to pay the interest on the debt.

It is also important to point out that this $25.5 billion is not the full extent of the government's borrowing this year; that it is actually $28.5 billion. One of the ways in which the government reduces the amount it actually goes out to the financial markets to borrow—down to $25.5 billion—is by borrowing from the federal superannuation fund.

One of the most contentious issues for many years around this place has been the lack of adequate return to the federal superannuation fund and the lack of action by the government on improvements to the fund that are required under our charter which it has refused to implement up until now. These are improvements that it has made already to pension funds of federally regulated bodies.

Why is it withholding this money, these proper and merited pension adjustments from public servants? The answer is quite simple. It is because it wants to hold them off and use them as bargaining chips against deindexing seniors' pensions, as it has done with many other elements in its budget.

The government likes to keep the federal superannuates' fund rich and healthier than it needs to be to meet its obligations and to meet benefits that public service employees have been entitled to ever since the Charter of Rights and Freedoms was passed. It does so because it likes to borrow from it so that it can pretend to Canadians that it is really borrowing less than it actually is.

I want to talk about one other aspect of the borrowing of Canada that I think has not been addressed until now. It is the amount of borrowing from non-residents. In the last five years non-resident borrowing has gone up from just over 10 per cent to nearly 20 per cent. The cost of this borrowing to Canadian taxpayers is pretty horren-

dous. Non-residents who lend money to Canada and get paid interest on those loans pay no taxes in Canada.

Let me just give you the figures, Mr. Speaker: 20 per cent of our borrowing is by non-residents—$50 billion of domestic debt is held by non-residents. If we assume a 12 per cent interest rate—and I doubt if we can count on that until the end of the year—that means $6 billion is going out of the Canadian economy to non-resident lenders. That is $6 billion which, if it were lent and paid in Canada, would be generating tax revenue back into the coffers of the government.

The amount of revenue that the government is forgoing by borrowing nearly 20 per cent outside the country is anywhere between $1.5 billion and $1.7 billion. This bill is borrowing darn close to $2 billion more than it needs to simply because the government has not controlled foreign borrowing and is paying interest out of the country and not collecting tax on that interest.

Meanwhile, what has it done to Canadians? While it is paying tax-free interest to non-residents, it has dropped the ability of Canadians to be tax free on the first $1,000 of interest they earn on what they have lent to their own government.

Mr. Speaker, $3 billion of this borrowing bill is just to cover the reserve for foreign denomination borrowing. The government needs to have a very close look at the impact of its foreign borrowings and its borrowing of foreign denominations on the deficit of the country.

The other thing that strikes me as we add more debt is the extent to which over the last few years we have sold off through privatization the assets of the country. It makes no sense to me to sell the House to pay the oil bill, which is what the government has been doing as it has privatized over 22 government operations or Crown corporations.

Canadians might accept selling off their assets which they have paid for if they knew that the sale of those assets was going to pay off the debt so that the deficit and the amount of interest they pay could in fact be reduced. But, no, the sale of the assets of Canadian taxpayers has been used simply to pay more interest and to keep on adding to the operating budget.

This budget has been characterized as the no tax budget. It is important to notice that borrowing would be much higher if the government had not managed to transfer much of its responsibilities to others.

I want to talk about 12 different items that to me are new charges on Canadians. It does not matter if we call them taxes or not. They are new charges on Canadians. They are the equivalent of raising taxes.

The first thing we had better remember is that this is the GST budget. Boy, if that is not a whopper of a new tax, I do not know what is. Some 260 million dollars of the borrowing in this bill are attributable only to pay for advertising to tell Canadians that they like a tax that they know darn well they do not like. It is to pay for several thousand new tax collectors so Canadians can be policed to make sure they are not escaping one whit of one dollar of a new tax that they do not like.

• (1740)

We are looking at a $6 billion increase in taxes to Canadians through the GST. They are now paying $18 billion in federal sales tax. The government will collect $24 billion to end up with a net revenue of $18 billion. In the meantime it will pay all the administrative costs of sending out $8.7 million in cheques to compensate partially for this new tax. What a waste of money.

Second, this is the budget that will increase both municipal and provincial taxes to pay for services that the Government of Canada has a commitment to cost share fifty-fifty. It is now reneging on that agreement. It is failing to meet its commitments in important areas such as education, social services, and day care—all of which are cost shared programs. The result of that is going to be an average of $576 over five years that Canadian taxpayers will have to pick up in additional municipal or provincial taxes to compensate for what the government is not now paying for.

Third, one of the more blatant items in this bill is fees for students. There is a 3 per cent charge on students who qualify for student loans only because they have already proved they are too poor to go to university without getting a loan. Now we are telling them that they have to pay fee on top of that.

Fourth, we have to remember that this is the clawback budget. This is the budget in which the government says that seniors and children's benefits and nothing else will be taxed at 100 per cent for some seniors, some children, and some families. Millionaires can make an extra $1

million and be taxed at no more than 25 per cent. Yet the benefits payable to seniors and children this year become taxable at 100 per cent.

This is the year in which the government starts getting the unemployed, the workers and the employers to pay through their fees for obligations that have up until now been the responsibility of the Government of Canada. Even though Bill C–21 is not through the House yet, the government is collecting those extra taxes from the employed. It is collecting those extra taxes from the employers. It is collecting them from the unemployed by not paying them the benefits that they are now entitled to.

Is the government saying to people who are supposed to benefit from this bill: "We will also make your benefits retroactive to January 1, because we have made the charges retroactive to January 1"? No, it is not. It is saying: "We are gouging you starting January 1, but you are not benefiting until this bill gets through the House".

This is the year in which the personal income surtax effectively goes up to 5 per cent. This is the year in which deindexing of personal income tax deductions means a 3 per cent rise in taxes paid and a 3 per cent loss in the value of tax credits.

Eighth, this is the year in which the proportion of taxes from individuals increases again while the proportion of taxes from corporations drops by 3 per cent.

This is the year in which we see an elimination of funding, not to the government's own programs, not to cabinet ministers who now have the ability to pull twice as many people out of government departments to help them in their political offices. We are eliminating funds to those in society who are the least powerful, who most need the support of the government to solve their own problems and to communicate their needs to government. I will be coming back to that.

This is the year in which we see a continuation in the reduction of the corporate tax rate that has taken place in the last couple of years. It will go from 36 per cent down to 29 per cent.

I want to talk about a couple of the changes that are part of the budget which has led to this borrowing bill. I want to talk about the people who are being deprived of funding and then where some increased spending is going, spending that I really do not think Canadians want to be paying for.

I want to talk about the reduction in funding to native Canadians and in particular the absolutely unforgivable cut to native newspapers and native broadcasting. The very survival of native languages is dependent upon the native languages newspapers that will be wiped out by these cuts. Meanwhile, the government has the audacity to suggest that aboriginal languages should be mixed in with heritage languages, and that it should start spending money on an institute while the languages die in the communities of Canada's native people.

This is the year in which the promotion of tolerance and understanding is being undermined in this budget. Cuts to heritage language programs represent a threat to the preservation and understanding of ethnic languages and cultures, and to the values attached to the preservation of these ideals.

This is the year in which we have seen the cut that has been restored only temporarily to women's centres so that women can act to redress their own inequitable situation in Canadian society. Need I remind hon. members that when the economy suffers it is women who suffer first and suffer most.

On the other hand Canadians are being asked to borrow for these types of things. They are being asked to pay $1.6 million to redecorate a cabinet minister's drop–in centre in Halifax; $3 million for ceremonial and state occasions so that politicians can stand up on platforms and get applauded; $160 million to the Boeing Corporation, although I think it is actually $166 million; and $32.6 million to CSIS.

At the same time not one whit, not one cent is going to replace the $450 million that the government over the last five years has cut from spending on alternative energy and conservation. I think we know where the priorities of this government are.

The most important issue for Canadians is the environment. Yet this government in its two mandates has cut spending on alternative energy and energy conservation—the most important contribution we can make to cleaning up the air that the whole world breathes. That

spending has been cut from $500 million to $50 million, and the budget does nothing to redress that.

It cuts investment in the education of our young people. It cuts investment in science and technology that will secure a prosperous future for Canada and for future generations.

I would be remiss if I did not stand up and speak against this package of borrowing and all the changes in priorities that go with it that I think are entirely contrary to the kind of nation that Canadians have come to be proud of.

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I would like to ask the member for Ottawa West whether she understands compound interest or not.

It is a fact that when we assumed government in 1984 that the national debt was approximately $200 billion. While we have reduced the deficit every year, there still has been a deficit. While the books show that we have paid interest, we really have not paid it to the tune of the deficit each year.

The national debt is now—and I want this on the record—$350 billion, the hon. member might think that this government is responsible for that. But that is not the case.

Compound interest over the last five and half years accounts for another $120 billion. The total debt of the country which can be directly attributed to the Liberal government of 1984 and to the Liberals prior to that time—and they had something like 15 years of deficits—is $320 billion which must be placed directly in their laps. We should take responsibility for $30 billion, which is the difference between $320 billion and $350 billion. We will do that because we are working on that as well.

• (1750)

I want the record to show that this $320 billion which is the albatross that is on the people of this country—our children and grandchildren—should be placed right over there.

Mrs. Catterall: Mr. Speaker, aside from the rather condescending manner in which the member started his comments, does he not think that after nearly six years in office it is time to start acting like a government and not an opposition party? Does he not think it is time to stop blaming a party that has not been in office since 1984 for the financial mismanagement of his party over the last six years?

Mr. Richardson: The question is: Do you understand compound interest?

Mrs. Catterall: Of course I understand compound interest. Do not be so condescending!

I also understand that one pays off one's debts when one sells off billions of dollars worth of assets. One does not keep on paying more money into operations. One does not keep on adding to the costs of government.

Mr. Attewell: I do not believe you understand compound interest.

The Acting Speaker (Mr. Paproski): Order, please. One question at a time.

Mr. Richardson: We are waiting for the answer.

The Acting Speaker (Mr. Paproski): On a questions or comment the hon. Minister of State for Finance.

Hon. Gilles Loiselle (Minister of State (Finance)): Mr. Speaker, the hon. member said that we had a deficit in the current account, apart from the debt which was building up, to pay for Old Age Security and the programs that the Liberals had put in place. We had to borrow $16 billion. How can you pay a debt in that kind of situation? We have turned that around. Now we have a surplus of $9 billion. That is a $25 billion turnaround in our operation to start paying for the debt the Liberals left us.

Mrs. Catterall: Mr. Speaker, I cannot leave that on the record. The member has suggested that somehow Old Age Security is a draw on taxpayers. He knows very well that when the Old Age Security was introduced in the early 1950's it was a contributory plan. It remained as a contributory plan on the income tax form until the mid 1970's when that line was taken off the tax form.

The rate of tax was not reduced because the line came off the tax form. Canadian taxpayers have continued since 1952 to pay for Old Age Security. His is the government that is denying them the return on their investment.

The Acting Speaker (Mr. Paproski): Does the hon. member from Markham have a supplementary question?

Mr. Attewell: Not really, Mr. Speaker, although I do not think the hon. member for Ottawa West really has dealt with compound interest. She does not seem to agree that the Liberal party is responsible for $120 billion of the $150 billion growth in national debt over the last five years.

Mrs. Catterall: Mr. Speaker, in the last five years this government has had an opportunity through increased employment, declining interest rates, a better world economy and a trade surplus like we have not enjoyed for over a decade to deal with that deficit, not to continue compounding it.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I have been just outside in the lobby listening to the debate of my colleague for Ottawa West. She has made a lot of sense, as usual. She made a lot more sense than some of the comments from the other side.

Mr. Richardson: That makes two of you in this room who think that.

Mr. MacDonald (Dartmouth): We have the western peanut gallery hurling insults over here. If the hon. member would like to speak, I would gladly cut my comments short so that we could listen to his impassioned plea about the deficit.

One of the things I would like to ask my colleague concerns this government's absolute apoplectic pursuit of problems concerning the national deficit. I, like many Canadians, listened during the last election campaign and over and over again we heard the government and ministers of the Crown telling us that the deficit was under control. We heard that there was no problem with the deficit, that this government had spending under control. Every time we turned a corner we heard that every promise of the government during that campaign was not a promise, it was a spending commitment and that it had all the funds necessary.

I would like to ask my colleague from Ottawa who understands the pulse of Canadians very well what she thinks about this absolute flip-flop the day after the last general election. On one hand we had no problem with the deficit and the next day we had a complete preoccupation with it.

Does she think this group opposite was completely truthful in its campaign rhetoric?

Mrs. Catterall: Mr. Speaker, I am glad to have the opportunity to answer that question concerning sacred trusts and a commitment to child care. All of these things were budgeted for and suddenly we did not have the money for them the day after the election. I think it is clear that Canadians have a litany of broken promises and broken commitments.

I just want to say to my colleagues who persist in perpetuating a myth that I do not understand compound interest that anybody understands the way to avoid paying interest on interest on interest on interest is to start paying off your debt, not sell your assets without paying off your debt.

The Acting Speaker (Mr. Paproski): On that basis, questions and comments are now terminated.

On debate the hon. member for Calgary Southeast.

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, I think it might be helpful to members, just so that they do not have to keep bringing in the heavy-hitters to balance their speeches, to give a little background to explain how we got into the situation that we are in today.

The member who just spoke wanted to walk away from the fact that the Liberal government in 1984 left this country with a $200 billion debt. Few Canadians have a real grasp of the magnitude of $200 billion. It is an awful lot of money.

The debt increases every year. It continues to increase, and not just until we get to a point where we can bring in enough revenues to pay not only for all the programs Canadians enjoy, but to pay the interest on the national debt. That was something which the hon. member for Markham—Whitchurch—Stouffville pointed out so well. I was delighted with his comments. He attempted to explain, before he was rudely interrupted, compound interest and how this $200 billion that our government inherited in 1984 would have grown by $120 billion to be, today, $320 billion if we had done nothing else.

But that is not the largest part of the problem. To be saddled upon entering government with a debt of $200 billion was not enough of a legacy for these Liberals to leave behind. After 20 years of profligate spending and waste and increasing expenditures every year for 20 years, they left us in a position in which we had built-in structured expenditures in this country to pay for all the worthy and worthwhile programs of government. I refer to seniors' pensions, family allowances, payments to those in need, as well as the maintaining of government

operations such as airports, Customs, et cetera. They had fixed expenditures in the year we took office amounting to $87 billion.

You just cannot turn off the tap on these fixed expenditures and say: "We are going to lay off all those people. We are going to shut down 10 per cent of the runway. We are going to close off part of our border. We are not going to give 100 per cent of pensions to people every year, people who have paid into them. We are not going to take care of those people on unemployment". You do not turn the tap off instantly on those programs. These are things that over a period of 20 years Canadians had come to learn to expect from government.

We had fixed expenditures which demanded $87 billion in revenue every year, plus a $200 billion debt with a $22 billion interest payment. When we became a government we found a bill every year for at least $100 billion. On the other hand, we had a fixed revenue base of only $80 billion. How can that be? Surely, the Liberal government would not have established a system where it expended $100 billion a year and brought in only $80 billion. The whole tax system—our income tax system, our corporate tax system and our excise tax system combined—brought in only $80 billion. Yet, for 20 years it continued to expend more than it brought in.

• (1800)

It is interesting to note that, in the years 1970–75, the Liberal governments of the day increased expenditures from one year to the next on an average by 17.9 per cent. How is that? If you folks want more out there and you want to re-elect the Liberals, let us buy you at the rate of 17.9 per cent a year every year.

In the next five years they had some conscience. A little guilt snuck in and they said: "We cannot keep doing this to the country. We are running the country into the ground." In a great effort to reduce expenditures, in the period 1975 to 1980, the Liberals only increased by an average of 10 per cent per year. I do not know how many people across the country were getting wage increases at 10 per cent a year, but the Liberal government did not have any problem in its low-spending years to increase at the rate of 10 per cent a year. It lost some seats and the government at the end of that period because it had shown such restraint. It went from 17.9 per cent spending increases annually down to 10 per cent.

The Liberal government was not able to buy enough votes so the people of Canada elected a Conservative government in 1979. Unfortunately, it was a minority government. Aided by the socialists, the Liberals were able to defeat that government. We got them again, Mr. Speaker, and they came back with a vengeance. The Liberals said: "We could not get re-elected when we only increased our budget 10 per cent a year. We are not going to let that happen again." By golly, they got right after it. From the period of 1979 to 1984, before we kicked them out, they increased the rate of expenditure every year by an average of 14.1 per cent a year.

Canadians said: "Wait a minute. We have had enough of this nonsense. All they do is spend and get this country further into debt." When this government took office in 1984, the accumulated debt of the Liberal party was $200 billion. We had a fixed rate of expenditure of $100 billion and it was bringing in only $80 billion. The first thing one has to do before addressing the national debt is at least to get revenues up to expenditures or expenditures down to revenues.

Where was the money being spent? I think Canadians know where the money was being spent. Thirty-three per cent was in direct transfers to persons. These were transfers to pay pensions, unemployment insurance, family allowance cheques and all the operations of governments. Those expenditures, increasing at the rates I spoke of earlier, made the country grow. It had been increasing over the previous 15 years at outrageous levels and this government said it had to stop. We are going to try to increase revenues broadly and to increase the level of the economy so that we have more people employed and more jobs for Canadians. Let us make the economy more effective and productive. When we have more people working and more companies creating jobs,the burden is spread out. More people are paying tax and tax revenues will go up. Individual taxes do not go up. The base is spread. More taxpayers mean more tax revenue comes in, and that is what it attempted to do. I must say did a very good job.

The record shows that, for the period from when it was elected in 1984 to today, the increase in spending in Canada of the Conservative government has been 3.5 per cent. In the first five years of the Liberal government it was 17.9 per cent. In the next five years, it was 10 per cent per year. In the next five years, it was 14.1 per cent.

When the former Leader of the Opposition, Mr. Turner, was finance minister, the Liberals had a 24 per cent increase from one year to the next. There was an increase in expenditures of 24 per cent in one year.

What has our government done? On average, since this government was elected in 1984, expenditures have risen 3.5 per cent.

Mr. Milliken: Rubbish.

Mr. Richardson: It is right here in the Public Accounts. It is available to any Canadian. Those are the facts. It is not the hyperbole and nonsense we have been hearing from the Liberals this afternoon. That is a fact and there it is in black and white.

An hon. member: It is over 7 per cent.

Mr. Richardson: We are talking about program spending. It is what we have control over in terms of a government and what we have control over in terms of our spending. What we do not have control over is paying off their debt.

The member says it was 7 per cent. Admittedly, we do have to have to pay the interest on the debt. The debt that was $200 billion when we took office is now up to $350 billion. Of that interest, $120 billion is simply compound interest that was here when we arrived as a government in 1984.

This government has shown fiscal responsibility. Since it was elected six years ago, instead of raising expenditures at a rate of 17 per cent or 24 per cent, government spending has increased 3.5 per cent. Inflation has been over 4 per cent. So, in real dollar terms, federal spending has actually been reduced over that period.

At the same time, because of the increase in the economy, we broadened the base. More people are working. A total of 1,604,000 jobs have been created in Canada since 1984 and 86 per cent of those jobs are full-time. In contrast, 89 per cent of the jobs created by the last Liberal government were part-time jobs. A total of 966,000 jobs have been created for women. This represents 60 per cent of the total jobs created.

In 1984, when this government was elected, unemployment was 11.6 per cent. Across the country today, it is considerably reduced. It has been consistently at the level of 6.5 per cent to 7 per cent ever since. It is 7 per cent today. We still have a low unemployment level because more Canadians are working. When more Canadians are working, they pay taxes. They broaden the base. The more people paying into the pot, the greater the revenues for the country.

The expenditures that were up here with the Liberals and the revenues that were down here been brought together. In 1987 they actually crossed. For the first time in a long time, when the Conservatives came in, Mike Wilson took two-and-a-half years to get to a point where we were bringing in as much money as we were spending. We were not spending more money than we brought in, with the exception of interest on the debt.

Since 1987, and for every year since 1987 that this government has been in office and Michael Wilson has been finance minister, we have had a surplus budget. We have actually brought in more than we have spent on government programs. Wouldn't that be great? It would be great. We could lower taxes right away, but we still have to pay the compounding interest on the Liberal debt.

• (1810)

We are on the right track; we are going in the right direction. Instead of spending more than we bring in every year, we have turned it around. In the past four years, we actually spent less than we brought in, and we are starting to pay the interest on that national debt. In 1994, when we will have passed it to a sufficient point, we can then start to attack the principal of that debt and benefit all Canadians.

I want to get into a number of other areas, because I have heard such outrageous statements made by some of the opposition members this year. I thought it would be helpful for Canadians to get a grasp of what kind of mess the Conservatives inherited back in 1984. It is simply not fair to say: "You cannot keep going back there and blaming those Liberals. Gosh, they were thrown out of office six years ago."

Unfortunately for all Canadians, we could not throw out their debt with them. We inherited that debt. Had we

done anything else, that debt would have grown to $320 billion today, simply compounding the disgraceful economic performance of 15 years of Liberal governments.

I might just leave it at that point. I would be delighted to answer any questions that the Liberal research establishment can come up with if one of the members would like to read one of them to me.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, the hon. member knows that what he says is inaccurate.

As I started to say in my speech, although unfortunately I ran out of time, there is a litany of problems with this government's financial management. I could not get to this part of it when I was cut off earlier, so perhaps I can refresh the hon. member's memory now.

"A New Direction for Canada: An Agenda for Economic Renewal"—I daresay the hon. member does not have a copy of this—was the title of this gobbledegook that the Minister of Finance tabled in the House on November 8, 1984. It was shortly after the election, the hon. member will recall, and this was supposed to tell us about what the Tory government was going to do for Canadians.

It stated that if it left existing policies in place, certain things would be just absolutely dreadful. The government said that by 1990–91 the federal deficit would reach $37.3 billion if it did not do anything about it. It is forecast at $28 billion. With interest rates going the way they have been, we know it is going to be a bit more than that. It will be very close to the $37 billion that was predicted if it did nothing.

It has done stuff. The government has hiked taxes 31 times. It also promised that it would bring spending under control in its fight against the deficit. We know that program spending has increased substantially, 4.6 per cent in 1986–87, 7.6 per cent in 1987–88, 3.1 per cent in 1988–89. This year it is supposed to go up—

Mr. Richardson: It didn't go up this year.

Mr. Milliken: Yes. Program expenditures. It is ignoring all the increases in the expending on the debt. In addition, the prediction was that program spending would reach $103 billion, under the *status quo* budget, by 1990–91. This is what the Minister of Finance said would be so dreadful, so absolutely frightful in 1984. Yet, according to the government's plan, spending is going to be $109 billion. How did it get so much higher?

This was supposed to be a worst case scenario if the government did nothing. It has done something. It has botched up, that is what it has done. The government has hiked taxes. It has taxed Canadians to the hilt and it still has not managed to do anything to bring government expenditures under control.

In addition, the government predicted that government revenue under this worst case scenario, if nothing was done, would get to $100 billion by 1990–91. According to the current plan, it is going to be $120 billion. What happened? This was a worst case scenario. In fact, everything is worse than predicted. Why? Because the Minister of Finance, I suggest, is incompetent. He should resign, get out, and let someone else run the administration of the country. Does the hon. member not agree with that?

Mr. Richardson: Mr. Speaker, I find it difficult to constrain my laughter at the humourist from the Liberal Party. He has the audacity to stand up in this House and speak to all Canadians about the alleged incompetence of this finance minister. The Liberal party finance minister who later became leader of the Liberal party and very briefly Prime Minister of Canada had increased expenditures 24 per cent from one year to the next. Then he stands up and asks for the resignation of the present Minister of Finance and criticizes him for having a budget increase this year of 3.1 per cent. It is on the record.

Mr. Speaker, you have just heard him criticize our finance minister for having a 3.1 per cent increase. We hear this from the people who brought us average increases of 17.9 per cent for five years, 10 per cent increases for the next five years and for the last five years of their government, annual increases in government expenditures of 14.1 per cent. Yet he has the audacity to stand up in this House and ask for the resignation of a finance minister who has been able to keep program expenditures to a rate this year of 3.1 per cent. I will leave it to Canadians to decide who is humourous and who is going to get this economy back on its feet and Canadians working again.

Ron MacDonald (Dartmouth): Mr. Speaker, I commend the member for Calgary Southeast for his presentation today. I listened with a great deal of bemusement to his remarks.

My question deals with the fact that right up to 1984, the governing party opposite begged Canadians on their knees every election campaign to let them take over. Yet every time we talk about the economy I do not hear the members getting up and saying, well, here is how we fixed everything. What I hear is that they have a case of selective amnesia. It starts the day after the 1984 election and the only thing they can refer to is pre-1984, which is subject to a great deal of interpretation and which most Canadians are not terribly concerned about. What Canadians are concerned about is your inability to deal with the economy in a consistent and fair manner and in accordance with your words during election campaigns.

I would like to ask the hon. member exactly what type of course give in his caucus that they have such a selective memory loss, and can find nothing to explain away the problems that this country has other than to say it is somebody else's problem.

Mr. Richardson: Mr. Speaker, I do not know how these guys like to keep walking into this. I give them credit for leading with their jaw. They want to come here and get it right in the kisser. They say to me, selective memory, I do not think there is any Canadian who needs a selective memory to know the kind of debt these Liberals left us with.

The annual deficit has fallen from a record $38 billion in the last year of the Liberal government to $28 billion in 1990-91. In dollar terms, the deficit has been cut by one-fourth. In 1984 the deficit was 35 cents on every dollar. This has now fallen to 19 cents. We do not have to talk about anyone's memory. These are facts and anyone can see them in the public accounts and are available to the public.

This government has shown fiscal responsibility. We have had to make some tough decisions, limit some programs and cut some spending, but we are getting this country on its feet again. Is it working? I mentioned earlier a total of 1,604,000 jobs have been created since we came into office in 1984. Of those, 966,000 have been created for women. The unemployment rate has fallen from 11.6 per cent when the hon. member party's was in office to 7.7 per cent in February.

• (1820)

People are working in Canada. Canadians are productive now, and we do not have a government wasting their money and spending more than it brings in. The day of reckoning has come. This government is dealing with it, and we are solving the debt problem that the Liberals created.

I could go on, Mr. Speaker. I would love to answer more questions from my colleague, because it is kind of fun to straighten him out and to tell Canadians what a mess they left.

When these people talk about resignations of finance ministers, we just have to look at the record I talked about today both in terms of the legacy left by the Liberal party and the remarkable progress that has been made since 1984 by the current Minister of Finance. I think we should put a statue on Parliament Hill of this Minister of Finance.

Mr. René Soetens (Ontario): Mr. Speaker, I would like to ask the member for Calgary Southeast about legacies that have been left.

Our finance minister has been chastised for what he, in the minds of the opposition, has been doing. I would like to ask the member for Calgary Southeast if he would care to comment on this. In the last majority Liberal government did they not, in that year of the $38 billion deficit, forecast something in the range of a $33 billion deficit and were out some $6 billion in their forecast?

In the year before that when they forecast a $28 billion deficit, in fact it was $33 billion. They were out substantially. If you go back through five finance ministers who they had in that last term of office, they were all big shooters and all out on their forecasts. Here we are as the new government and we have had only one finance minister. Each and every year, he has been within $1 billion of what he forecast. Would you care to comment on that?

Mr. Richardson: Mr. Speaker, I think you know and certainly the people in Edmonton Northwest know that what the member for Ontario has just said is absolutely true.

I want to comment on the representation made by the hon. member for Ontario, and the accuracy of forecasting of previous Liberal finance ministers who were out $6 billion a year in any of their forecasts. This government

has never been out by as much as $1 billion. When the hon. member was giving those numbers, I thought he might have been giving us something else.

When talking about $38 billion deficits and the Liberal party, they did not even include the deficit in the UIC account. That is $10 billion. They kind of shoved it under the desk somewhere. "Let's not include that in the national debt and in the deficit. We have separate accounting for that one." It is only when this government came clean and said to Canadians in 1984: "We are not going to kid you about the situation in the economy. We are going to lay it all on the table."

We keep dragging these things out. Every time we open another closet, more ghosts jump out, we see more bills left over from the Liberal government. But we have it on track. We turned it around since 1987. We are now running surpluses in our program budget. It is all on the table. It is all up front for people to see. Canadians know about the economic situation in this country. They know it is not easy, but they know we have taken the tough decisions. We are taking the proper direction to get over this mountain of debt and see the future of a prosperous, economic Canada.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I am in a jolly good mood after listening to all the blarney that I just heard from my hon. colleague from Calgary Southeast.

As I said earlier, I flew here today and I was a little cranky when I got here. After listening to the world according to the member for Calgary Southeast, I find that there is still some pleasure in stretching the facts and selective memory and life. It is called blarney.

I rise today to participate in this debate on the government borrowing bill, Bill C-65, in which the government is attempting to borrow untold billions of dollars to finance its misdirected economic policies. The hon. member from Calgary Southeast and his colleagues read very well from the notes given to them by the propaganda section of the Department of Finance, but as hard as they try, Canadians do not appear to be listening. If Canadians were listening and buying the drivel that is coming from the government benches opposite, I think the member's party would be a little better than 15 per cent in the polls. I should not have to tell that to the hon. member—especially one who comes from Calgary, that bastion of Torydom.

I am sure everybody realizes that it used to be a given that Alberta always would elect Conservatives, that Alberta was Tory-Tory land. Well, I can tell you that because of this government's economic agenda things have changed, even in Tory Alberta.

Did I just hear the Minister of Transport say, "Right on"? I think he did. Even in Conservative Alberta, Toryism is a bad word. It is a word that is no longer said without a few expletive deletives—which are unparliamentary and therefore I cannot put them on the record of this place. But if there are a few Conservative members here who have not heard what they are being called in that province I will gladly see them outside the Chamber and let them know just what they are—unless, of course, their delicate ears can't take it.

We have just gone through six years of a Tory agenda. It has been an agenda of deceit and mismanagement. The Conservative party came into power in 1984 after a world-wide recession. Now the hon. members on the other side do not want to admit that, but it was a world-wide economic recession. They came in at the tail end when the recovery was beginning. The framework was already in place for economic recovery, thank goodness. We did not have people starving in the streets because Liberal economic and social policies ensured that the safety nets were there to catch Canadians. To listen to some of the members opposite, they would have preferred it if those people had starved in the streets. They would have preferred it if the people who lost their jobs during the world-wide economic recession somehow managed to get their keep in the garbage dumps or begging from the affluent on Bay Street.

Well, Liberal policies were quite different. The deficit increased, but it did so because Liberal social programs worked. And, Mr. Speaker, I for one am not about to sit down and apologize to that group opposite for saving the livelihood and future of many Canadians during that period of time.

But in 1984 these guys and gals came forward and said: "We've got a better way. Elect us and life is going to be rosy. We are going to create so much wealth across this country. We are going to ensure that the Liberal social policies and programs are maintained. We are going to

ensure that there is not one chicken in every pot but two."

But what we did not know in Atlantic Canada was that they might have been giving us a chicken but they were taking our fish. We know that now, Mr. Speaker. These people came to power in 1984 on a thinly veiled Liberal agenda. They tried to be Liberals. They tried to talk about social progressivism. They tried to talk about a marriage between free enterprise and management of an economy and government intervention when necessary to support the regions of this country least able to look after themselves, and people in that same circumstance.

Well, perhaps the biggest lie—and this will go down in history I am sure—that we have ever heard in a campaign was what the Conservative party handed out during the election campaign. I alluded to it earlier in a question and comment. What I said was that every time the New Democratic Party or the Liberal party put a plank forward in their campaigns, the Tory party would dismiss it.

I remember the Minister of Finance saying—and I hope your selective memory is turned off and you can hear it clearly now—that these were not promises. These were spending commitments. Well, if they were spending commitments that were made in the fall of 1988, they were written with disappearing ink. The day after these rogues got re-elected they came into the Chamber and all of a sudden the books were changed. Surely to goodness from 1984 to 1988, if they had any competency at all, they would have been able to find out where the books were.

Either they were so incompetent between 1984 and 1988 that they did not know what fiscal and economic circumstances they had at their disposal in 1988, prior to the campaign, or they did not tell Canadians the truth. I don't know which sin is worse. I will leave that for the electorate to decide at the next election.

• (1830)

The government came back saying: "We've got the money. We've got the programs". I do not know how these ladies and gentlemen opposite can sit in their seats when they know very well that the day after the election campaign, all of a sudden, the Prime Minister's polls told him he should go out and spook the Canadian public about the deficit because we convinced them during the campaign that it was not a problem. If the deficit is a problem, we had better spend some taxpayers' money to change their minds. That is exactly what they set out to do.

The non-problem deficit in November all of a sudden in December became this onerous, triple-headed monster that would devour the Canadian economy. The Tories would rally on their horse to save Canadians from that terrible fate. What did they do? They reneged and squelched on every promise and commitment. I will not call them promises, I will call them what the Minister of Finance called them. He called them spending commitments. The government squelched on its commitments.

What has the government done since being elected? Government members are in this Chamber today asking us to approve Bill C-65, the borrowing authority, which will mean that we agree with their spending priorities.

They used to talk about jobs, jobs, jobs but in actual fact it has turned into cuts, cuts, cuts. Look at what they did in regional development. It is a big shell game. They can talk their best rhetoric on the other side of the House about windows, five-year averages, seven-year averages, you can put flour and milk in and make a nice cake for the people of Atlantic Canada, the fact of life in relative terms, and I quote very loosely because I do not have exact figures in front of me.

The Atlantic Provinces Economic Council has done studies which show in relative terms that the degree of disparity between central Canada, or Canada on average, and Atlantic Canada has grown. You do not have to be a mathematical wizard to sit down and look at the indicators to see that. Look at the level of unemployment *vis-à-vis* the percentage of national unemployment in 1982, 1983, 1984, 1985, 1986 and 1987. You will find there is a growing gap between the rich and the poor in this country. The government says: "Yes, but everyone is better off than in 1982, 1983, 1984." We were in a recession then.

What I am trying to put forward to members opposite is that during the intervening years of recovery—and some have recovered much quicker than others, it has taken place world-wide—the government should have taken the opportunity, if it had a heart, to redistribute the new resources to the poorer areas of the country to

try to alleviate the real triple-headed monster, regional disparity.

In effect, what the government has done is bring in one of the most regressive fiscal regimes in the history of this country. It has done this at a time when linguistic and racial tensions have increased in this country. Now it has added a new one called regional tension.

If any members doubt the passion with which I speak, they should go to a community in Atlantic Canada that has been shut down because of this government's neglect of regional economic policy. The only department that was seen to be an agency to promote a policy within the central government structure of regional development has been dismantled by Bill C-3. There will not be a department responsible to cabinet for regional development in Atlantic Canada. It will be done through agencies.

In the last 18 months, the government has allowed $1.221 billion in regional development agreements to lapse in Atlantic Canada. The more we cried in this House and the more we asked the minister responsible for ACOA to give us figures, the more he tried to get into five-year or seven-year averages. The buck stops at the desk of those individuals in Atlantic Canada who feel the bite of this government's economic policies. The fact is, of $1.221 billion in economic development agreements, this government has only put up $274 million to renew them. You do not have to know how to add and subtract very well to know that is $1 billion short.

The Deputy Prime Minister said on a number of occasions that he was so committed to a national passenger rail transportation system in this country that his government was going to do it right. They were going to modernize and update the system so that we would have a modern, efficient national transportation system. The now Minister of Transport gets up and says: "We had to kill it to save it". That is basically what he said. He said: "The corpse looks fine. We have saved the corpse. It looks wonderful". But they killed the dream of a national rail transportation system from coast to coast.

The new Minister of Transport is laughing. Well, Mr. Minister, if you could go to Nova Scotia and see what people think about your economic and transportation policies, on Cape Breton Island and all through mainland Nova Scotia where you have cut the train, maybe you would be smiling somewhere else right now. You would not be smiling in this Chamber, because you have lost the faith of the people in those respects. Not just here, but in northern Ontario and western Canada as well.

We have also seen a government that talked about how concerned it was about social programs. These are the masters of doublespeak. These are the great pretenders on the national stage.

They came in with a bill that in effect attacked our seniors' pensions. In that bill they did not say "claw back" because they do not like to call a thing for what it is. We said: "You are going to claw back those seniors' pensions". They said: "No, no, we are not".

There is a thing called Consumer Price Index, minus 3. It means that as inflation goes up, it is not fully indexed to inflation. The seniors now know, six months after that is passed, exactly what it is going to mean to them now, in 10, 15, and 20 years time.

They were so concerned about redistributing wealth in this country that they cut Established Programs Financing, EPF, a fundamental tenet of economic policy in this country, whereby this country thought it was fair, just and necessary to keep this country together, to ensure that there were programs of national standards in health and in post-secondary education.

In Nova Scotia in the next few years, according to the government's own documents, we are going to lose $80 million. That is in a province of less than a million people. I do not know if they think the salt air grows loonies on trees down there or what. But I can tell you right now that because of this government's cut-backs and the transferring of economic responsibility for its deficit, they have now caused the budget surpluses of the provinces of Nova Scotia and P.E.I. to be turned into budget deficits. In turn that has been passed on to the poorest municipalities in this country, the municipalities in Atlantic Canada.

On equalization, I am told that in January an official from the office of the Minister of Finance met with officials of the Ministers of Finance of Atlantic Canada. He said: "There is going to be a minor modification to equalization. Do not worry about it". When the Minister of Finance of P.E.I. was preparing his final budget document before he presented it to the public in Prince Edward Island, they called from the office of the Minister of Finance and said: "That little adjustment is

maybe going to be a little bigger. Instead of being $600,000, it is going to $13.5 million".

An hon. member: Shame.

Mr. MacDonald (Dartmouth): Thirteen and a half million dollars to a province of about 140,000 people. That is not chicken feed. Those are real dollars for real programs that are necessary.

We had a debate in this House last week about the at and east program. They certainly did not mind coming after Atlantic Canadians on the at and east program. They had basically earmarked every program of support and equalization in this country for the garbage bin. That is what they have done because they are playing the politics of the centre. The politics of the centre says: "When you do the numbers folks, if we only have *x* number of dollars to spend, we are going to spend them in central Canada". That is what it says.

The minister rolls his eyes. How else can you say it? You have cut billions of dollars from regional development. In the regions of this country you have severed the national rail transportation system and at the same time you support the policies of the Governor of the Bank of Canada, and those very policies of the Governor of the Bank of Canada do what? They are supposed to be there to slow down growth in the golden belt in southern Ontario. Who has to pay the piper? Just businesses in southern Ontario? Just consumers in southern Ontario? No. This government is putting people in my riding out of business because it is supporting or telling the Governor of the Bank of Canada what the interest rate policy should be.

• (1840)

If anybody ever doubts that the Governor of the Bank of Canada knows what it is like to suffer, then they should have seen him on television the other night when he was chased by reporters. After coming from a committee hearing and being asked: "Do you think you should speak to average Canadians?" "Oh", he said, "I think the members of the committee are the people who are supposed to speak to average Canadians."

I can understand how the Governor of the Bank of Canada could say that. There are not too many people, average or otherwise in this country, who make the salary that that man makes and would have the gall and the audacity to take a 29 per cent increase at the same time that he is manipulating the economic lever of interest rates to their highest level in years and telling Canadians to tighten their belts. "Do with less. Those of us who got more, boys, we are rolling in the dough". That is exactly what he did.

We have seen this government increase taxes 33 times since 1984. I do not know how government members can get up and look at themselves in the mirror in the morning. Go and talk to somebody who is on a fixed income and living below the poverty line. These people still pay income tax because our tax system still needs major reform. If you ask those individuals who are on pensions or on an annuity: "Are you better off today than last year or the year before?", they will tell you that they are not.

This government has a regressive taxation policy. There are no loopholes for the average Canadians. There are no loopholes for the seniors in my riding who are trying to live on poverty wages. There are no loopholes. There certainly is for the upper income levels. The government has shut down women's centres right across this country. It even went after the veterans.

I tell you, Mr. Speaker, I am a proud member of the Royal Canadian Legion. I was at the Royal Canadian Legion in Dartmouth, the Centennial Branch, and I was flipping eggs on Sunday, because I try to do my bit to make sure that those good service organizations like the Royal Canadian Legion have enough money coming in so they can sustain themselves.

This government has broken the trust that was placed in it by many Royal Canadian Legion members when it decided to change some of the Veterans Affairs programs. If the government members think that they are going to still join in the camaraderie that is legendary in Legions across this country, they have not visited since this last budget came down.

With regard to the proposed changes to the Unemployment Insurance Act, Bill C–21, that members opposite are apoplectic about because the Senate of Canada is holding it up at this point, people in Nova Scotia are trying to tell the government to change things. The

Senate of Canada, God forbid in this day and age, has more support right now as an unelected body than the government opposite. The Senate knows that the government's economic policies are leading to economic and regional tensions that we simply do not need.

One of the aspects that I want to talk about concerning the UIC bill is how this government comes in and talks about how it is trying to make the system more fair. I spent Saturday in the communities of east Preston and north Preston. These communities are the largest indigenous black communities in Canada. They have been there for many hundreds of years. The economic problems that they find themselves with are problems that could be addressed easily by a government that had the wherewithal, the courage and the political will power to deal with them.

I am speaking directly to the members opposite. There is a major problem in that community. It is six miles from the largest metropolitan area in Atlantic Canada. There are over 5,000 souls who live there. It is the largest indigenous black community in Canada. They have suffered for far too long from a lack of attention by successive governments of whatever political stripe. We are now in a situation where this community is crying out for assistance. If I have a 7 per cent unemployment rate in the city of Dartmouth, they are suffering a 30 per cent unemployment rate. There is systemic racism, a thing we never like to speak about either in this Chamber or elsewhere. There is systemic racism at work. There are young blacks in that community who see themselves with no future and have asked repeatedly for the federal and provincial governments to sit down, take some of the billions of dollars we are talking about today, and direct it into the community. They are ruining lives out there. This government and the government of the province of Nova Scotia are ruining the futures of many of those individuals because they have the economic and policy tools to make a real difference.

I have been dealing with the minister responsible for the Atlantic Canada Opportunities Agency. Hopefully, we are making slow progress. I have met on at least one occasion and have spoken to the minister of employment twice in the House about putting some flexibility into the programs. As yet, the flexibility is not there.

Today in *The Daily News*, one of the largest distribution newspapers in the metropolitan Halifax—Dartmouth area, there was an article on the front page with a big headline. One of the councillors, Mr. Wayne Adams, who is a member of that community, said that if governments do not act soon and use the resources that are theirs to give the community the tools it needs to get out of this collaring which has taken place for two centuries in that community, there will be major problem and perhaps civil disobedience.

I call on the members here when we are dealing with all these government expenditures to put a little heart in their deliberations on the other side and to put a little pressure on members of their cabinet so that when we talk about those who need it the most, not just regionally but in the sense of some minority groups across this country, they do not all suffer equally under the knife of fiscal restraint. If everybody suffers equally under the knife of fiscal restraint some bleed a lot more than others, and they are members of minority groups across this country and people that live in the poorest regions.

[*Translation*]

Mr. Clément Couture (Saint-Jean): Mr. Speaker, I am very pleased to make a few comments on Bill C-65 to provide borrowing authority. Here is how I would my express views. It is quite obvious this time around that if the government needs to borrow $25.5 billion to meet its cash requirements it is due to the fact that the problem is not recent and dates back to a number of years. Lets us go back to the early 70s when the government could operate with a $300 million budget surplus and a national debt of $17.2 or $17.3 billion. It was at that time that the expenditures of the Canadian government began to rise dramatically. Expenditures went up by something like 17.9 per cent. For the second term they increased by 10.1 per cent because the government had decided to cut back on its own outlays. Over the third term, from 1980 to 1984, the annual increases averaged 14.1 per cent. Needless to say all these higher expenditures put a lot of pressure on the government's cash requirements.

In 1984, when the Liberal government was defeated, we took office looking at a financial statement showing an annual deficit of $38.3 billion and a national debt of about $200 billion. We finally took over as a government with a plan of action and a definite goal. The government had put its cards on the table and was quite prepared to

begin the task of reducing the deficit and the national debt.

With the kind of financial pressure I have just described, it is quite clear that we need a few years to set our financial house in order and get back on the right track.

Mr. Hogue: Stagnation it was!

Mr. Couture: Economic stagnation indeed.

In 1984 the government took very positive measures designed to balance the Canadian budget. By that I mean the government set its sights on bolstering the country's economy and worked relentlessly to create new jobs so that Canadians would be able to lead a decent life. It was a complete turn around as compared with the situation that had prevailed during the 14 preceding years.

• (1850)

Considering that we went from a $300 million budget surplus in 1970 to a $38.3 billion annual operating deficit in 1984, I must say that one has to be really unable to manage the financial affairs of the nation to post such a pitiful performance. Today's borrowing authority is the result of that performance. The government needs to borrow $25.5 billion, a figure which is altogether justified in light of everyting I have just said.

The first thing the government had to do between 1984 and 1988 was to reduce the annual rise in expenditures. The figures bear repeating because they are quite simply mind-blowing: 17.9 per cent in the first term—this is an annual average, of course—10.1 per cent in the second, and 14.1 in the third. When the new Conservative government took over in 1984—and I can say this with a clear conscience, Mr. Speaker, because I was a Canadian citizen at the time, not a Member of Parliament—it had a very precise and soundly structured plan of action with clearly defined objectives. Sure enough, we saw the government implement this plan of action right from the beginning. From 1984 to 1988 the increase in annual expenditures dropped to 3.6 per cent and the annual operating deficit declined from $38.3 to $28.1 billion. That in itself was quite an achievement. During that same period we created over 1.5 million new jobs for the benefit and to the satisfaction of Canadians.

But the government did not choose to sit on its laurels and kept on steering the same course, following the same policies and setting the same objectives. In 1988 it chose to stay the course by limiting spending increases to 3.2 per cent over the next four years.

A while ago I heard my hon. colleague from Calgary Southeast (Mr. Richardson) say that, since 1984, expenditures in Canada have risen by an average of 3.5 per cent a year, which is the exact figure.

Our economic performance is worth mentioning. We created a lot of jobs and restored the faith of many Canadians in their economy.

Mr. Hogue: Yes!

Mr. Couture: Canadians who, through their entrepreneurial spirit—

Mr. Hogue: Thanks to the Minister!

Mr. Couture: —and their leadership, played an active role in the economy by creating new jobs and improving the general situation in this country. I think Bill C-65 now before the House is quite justified in light of the economic performance between 1970 and 1984. Since 1984, spending has actually been cut, as demonstrated by the figures I just mentioned. Naturally, this kind of commitment requires cut-backs. Obviously, the government must limit its spending, ensure an acceptable standard of living for Canadians, assist in the development of certain sectors, but it must also make budget cuts. I believe this government has done a great job.

A while ago I heard people talk about budget cuts to VIA Rail.

Of course, when no one in a country or region takes the train any more, I wonder why we must maintain rail service for those regions. If there is no one on board, if no one needs the train to travel, I think that it must be cut. Our government has understood that very well, unlike the Liberal government which for over 14 years understood absolutely nothing and left us a very difficult situation that it will take several more years to correct. We are now definitely on the right track. The deficit has dropped from about $38.3 billion in 1984 to $28.1 billion. In 1994, the deficit will probably be less than $10 billion. That is what the people opposite do not understand.

Mrs. Campbell (South West Nova): Interest rates are now at 15 per cent.

Mr. Couture: Naturally, we cannot confuse interest rates with all that. We are talking about borrowing authority and treasury requirements—that is what we should be talking about, but we can talk about interest rates for 30 seconds.

Mr. Hogue: We understand.

Mr. Couture: Interest rates—Naturally, our monetary policy is designed to get Canadians through economic situations with the government in control. We remember very well that the Liberal government did in 1979, 1980 and 1981 when it lost control of demand pressures.

Mr. Hogue: Deplorable!

Mr. Couture: Interest rates were 22, 23, 24 per cent—

Mr. Hogue: Unacceptalbe!

Mr. Couture: —which our government and our Minister of Finance absolutely do not want to see happen again. As long as there will be inflationist pressures in the country, I think it is perfectly appropriate to use the monetary policy to alleviate those pressures for the benefit of all Canadians in years to come, because we do not we want 24 per cent interest rates anymore. You have allowed that, but we are not going to allow it. We are going to manage this country in such a way that, by 1994, we will have met our goals.

Mr. Speaker, I believe this delineates precisely Bill C-65, an Act to provide the government with the borrowing authority it needs to replenish its cash flow. I guess the members opposite also know well where this requirement comes from. It is not new, it goes back a number of years and results for a large part from the very poor economic performance of the former government which, of course, forces us today to take the necessary steps to put the government and indeed Canada in its proper place.

Mr. Plamondon: Mr. Speaker, I would like to congratulate my colleague from Saint-Jean on his excellent speech, particularly when he reminded us of what the opposition did when it was in power. The hon. member would probably like to tell us about the disastrous effects that the 22, 23 and 24 per cent interest rates under a Liberal government had on his riding of Saint-Jean. Could he give us a few examples of what happened in his constituency when the interest rate was 22 per cent and investments dried up?

Mr. Couture: With pleasure, Mr. Speaker. In 1982–83, interest rates in the country were going unchecked. The then Minister of Finance did not attempt to use the monetary policy to control inflation and prevent interest rates from reaching 24 per cent. Obviously, when interest rates fluctuate between 20 and 24 per cent, the vast majority of businesses experience major difficulties. In our riding, like everywhere else in Canada, some had to close up shop because they could not meet their expenses.

PROCEEDINGS ON ADJOURNMENT MOTION

• (1900)

[*Translation*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

EXTERNAL TRADE

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, I welcome this opportunity to draw the government's attention to the situation in the textile and clothing industry.

On May 24 last year, almost a year ago, I asked the Minister for International trade about fraud charges laid by Canada Customs against Canadian textile importers concerning merchandise manufactured in Korea, shipped to front companies in Japan and transhipped to Canada as merchandise of Japanese origin, thus violating bilateral agreements and section 17 of the Export and Import Permits Act.

Since Canada's major textile companies happen to be in my riding and I am a former textile worker, I am of course very much concerned about the industry.

Mr. Speaker, perhaps I may recall that the textile industry and its principal customer, the clothing industry, have close ties. The latter industry buys nearly 40 per cent of textile production, which represents as much as half of its production costs.

Like Canada, the riding of Drummond has a great deal at stake in the textile and free trade talks.

More than 3,000 jobs in the riding of Drummond depend on the textile and clothing industries, which is some indication of the very important role still played by these industries in our region's economy.

The main companies are Celanese, Dominion Textile, Consoltex, Textiles Monterey, Textiles Dionne, Teinturerie Elite, Drummond Hosiery and a number of others.

Mr. Speaker, to give some idea of the importance of a company like Dominion Textile in the Drummondville area, this company generates a wage bill of $20 million annually, pays $400,000 in taxes to the town of Drummondville and contributes over $50,000 to various social activities. It employs 700 people.

Swift Textiles Canada, a division of Dominion Textile Inc., because of its denim manufacturing facilities has one of the most modern plants in the world. The streamlining of these facilities over the past year, will have required over $30 million in investments and this, without any subsidy.

In the Province of Quebec, Dominion Textile provides jobs to 5,300 people in its Sherbrooke, Magog, Valleyfield, Grandby, Trois-Rivières and Drummondville plants.

Many wonder at the size and scope of Canada's textile and clothing industry. The textile industry, which consists of 1,070 plants, has 63,800 employees, 43 per cent of them women. The plants are mostly concentrated in Quebec and Ontario, these two provinces providing respectively 52 per cent and 41 per cent of all the jobs. The remaining jobs can be found mostly in the Atlantic Provinces.

This industry has a total annual sales figure of $5.8 billion. Exports account for approximately 11 per cent of that amount, some $660 million. On the other hand, imports represent nearly one-third of the domestic market.

Ever since the early 1970s, Mr. Speaker, the textile industry has maintained its share of the domestic market at a fairly constant level, which is 70 per cent. Imports come mostly from other industrialized nations, especially the United States. Since 1980, however, countries where production costs are very low are exerting increasing pressure on industrialized nations; they account now for one-fourth of all imports.

As to the clothing industry, it is made up of manufacturing plants which supply clothes to consumers and other industries. Some 99 per cent Canadian-owned, the 2,500 plants which provide jobs to approximately 113,000 workers are mostly located in major urban centres in Quebec (60 per cent of jobs), Ontario (30 per cent), and Manitoba (6 per cent). Moreover, nearly 75 per cent of the jobs are held by women who represent the majority of the nearly 30,000 industry workers who are working at home.

The industry sales figure has been estimated at $5.7 billion a year, including $4 million in exports. Imports, on the other hand, represent approximately 2.1 billion a year.

In recent years, thanks to the help of the Canadian Industrial Renewal Board, industry leaders made a concerted effort to boost their competitiveness by applying new technologies to the various production stages such as computer-assisted design and manufacturing. So far these efforts alone have not made it possible to offset the cost advantage enjoyed by exporters from low-wage countries.

The stakes are high, Mr. Speaker: more than half the jobs in the Canadian textile and garment industry are in Quebec where 55 of the 75 ridings depend on that industry.

Canada's textile industry is modern, capital intensive and well managed, yet it is small when compared to that of the United States where close to 50 per cent of all our textile imports come from. In less than eight years they will come in duty-free. True, Canadian manufacturers will have gained access to the American market, but this will call for huge investments in Canada and great marketing expertise.

The Free Trade Agreement with the United States has to be a major adjustment challenge for Canadian producers.

The government intends to reduce Canadian duty on textiles to levels close or identical to that of the US.

The outcome of the Uruguay round of negotiations concerning lower tariffs will not be made public before year's end.

Finally we are not at all sure that the signatories to the multifibre agreement will agree to put the textile and garment trade back under standard GATT regulations.

Canadian textile producers will face a challenge if ever the multifibre agreement falls apart.

In Europe for example, according to *Le Figaro* of October 27, 1989, there is some talk of returning world textile and garment trade under stricter GATT regulations concerning such things as export subsidies, dumping practices, or trade mark and design piracy.

The article also refers to the fact that new cases of unfair practices are uncovered daily.

Finally, Mr. Speaker, with respect to the current Geneva negotiations, I should like to hear from the minister what is the government position concerning stricter GATT regulations, and does the government intend to harmonize these discussions with the position of the European Economic Community?

[*English*]

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I am pleased to have this opportunity to respond to the question raised by the hon. member for Drummond both here this evening and in the House on May 24 last last year regarding the investigation by officials of Revenue Canada and External Affairs into the trans-shipment of Korean polyester filament fabric through Japan.

As the hon. member knows, seven companies in Montreal and two in Toronto were charged under Section 17 of the Export and Import Permits Act. That section deals with furnishing false or misleading information to obtain an import permit. These cases are currently before the courts so I am unable to comment on the specifics of those cases.

These companies were charged based on evidence seized during raids on the offices of a number of textile importing companies in March of last year. The Special Trade Relations Bureau of External Affairs and International Trade Canada has been investigating the alleged circumvention of the Canada-Korea textile restraint agreement for the past two years. It was alleged that the Korean mills had been shipping finished polyester fabric to shell companies in Japan. These companies would then ship the fabrics to Canada with documentation stating that the goods were of Japanese origin. Documents seized in the raid confirmed these allegations and enough evidence was gathered to lay charges.

Since the laying of charges last year, we have imposed additional documentation requirements in support of applications for import permits for a range of man-made fabrics sourced from a number of countries, including Japan. These applications must now be accompanied by a certificate of origin issued by a competent authority in the exporting country or a mill certificate endorsed by the manufacturing mill.

Departmental officials met with Japanese officials last June in order to tighten up the certification of origin system to prevent further occurrences of such trans-shipments.

There have also been two rounds of consultation with Korean officials in order to negotiate compensation for the circumvention of our bilateral agreement. It appears that the Koreans are prepared to provide some compensation in terms of future quota. We are currently preparing further information and a third and hopeful final round of consultation is anticipated later this year. It appears the Koreans are anticipating the results of these consultations as they are yet to fully allocate the 1990 polyester fabric quota to their exporters.

We consider this to be a serious breach of our bilateral restraint with Korea and we intend to seek full compensation. Officials continue to monitor imports of textiles and clothing from all sources and action is taken quickly if trans-shipment or circumvention is suspected.

• (1910)

GOODS AND SERVICES TAX

Mr. Jack Iyerak Anawak (Nunatsiaq): Mr. Speaker, I am pleased to take this opportunity to return to the subject of the goods and services tax. I want to remind the government again how harmful this tax will be to northerners.

On February 19, I asked the Minister of Finance in the House of Commons to exempt northerners from this unfair tax. My question to the minister dealt with the high cost of living in the north, and I cited as examples the cost of some basic groceries in Clyde River, a community on Baffin Island in my constituency.

I had just returned from a visit to that community, and while I was there I had made a point of going to the grocery store. I paid $5 for one dozen eggs, over $9 for a 5-pound bag of potatoes, $4.29 for a litre of milk, and over $8 for a dozen apples.

In southern Canada prices for these same items are one-half to one-third lower, yet my constituents have to pay shockingly high prices for the same basic foods every day. Many have to pay these prices on an average income of about $10,000 a year.

Unemployment rates in the Northwest Territories are high. The over-all unemployment rate of the Northwest Territories is about 16 per cent. The rates in the regions which comprise my constituency are however much higher. In the Baffin and Kewatin regions, the unemployment rate is about 21 per cent. In the Kitikmeot, the rate is 31 per cent. In several communities, the rates are close to 80 per cent. Many people are therefore living on fixed incomes: unemployment insurance, social assistance and pensions.

The point I was making to the minister was that many of my constituents are hard-pressed to make ends meet now. When someone on a fixed income has to pay $4.29 for a litre of milk and more than $9 for a 5-pound bag of potatoes, that individual has not much disposable income left once the groceries are bought. Even though basic groceries will not be subject to the goods and services tax, almost everything else my constituents need will be subject to the new tax.

The minister says there will be no GST applied to the transportation of food. That is all very well and good, but the goods and services tax will be charged on virtually every other good transported to the north. I do not think the minister has grasped the fact that there are no roads to the communities or between the communities in my constituency. The government also does not seem to understand that the communities I represent do not have large shopping plazas or even the variety of stores that southern Canada does.

In the small settlements, residents order food and other necessities from stores in southern Canada. Fuel, clothing, and construction materials have to be flown in during the winter months or barged in on the sea-lift in the summer. These items are not cheap; nor are the freight rates to ship these goods up to the north. Air freight from Ottawa to Iqaluit, for example, is close to $3 a kilogram for goods between 45 and 200 kilograms.

Fuel, clothing, and construction materials will be subject to the goods and services tax. The transportation of these basic goods will also be subject to the goods and services tax. With the kind of cost increases these goods will bear, people will have to cut back on their purchases. Either people will cut back on the groceries they buy in order to buy other goods such as clothing, or they will cut back on other goods in order to buy the groceries they need.

Last October, I asked the Minister of Finance for the studies he said he had that showed the north would be better off with the goods and services tax. He did not produce them last October and to date he has not produced them. The Minister of Finance is virtually the only person who thinks that this tax will benefit northern Canada.

The minister said in the House in February in reply to my question that the GST is very positive for the industries of the north. The Government of the Northwest Territories does not share his optimism.

I would like to quote from brief of the Government of the Northwest Territories to the House of Commons Standing Committee on Finance last October: "The goods and services tax has the potential to seriously harm our important industries. In so doing, the tax would hamper our efforts to build greater economic self-sufficiency in the Northwest Territories. The long-term benefits to production in the Northwest Territories predicted the federal finance department are very doubtful and, even if positive, will be relatively small. Any such benefits are unlikely to be large enough to offset the short-term costs of the new tax. We expect that any gains from increased output will be enjoyed mainly by owners of large businesses or by temporary employees from the south. Long-term residents of the Northwest Territories, particularly small business owners and those participating in the traditional economy, are unlikely to share those benefits".

Service industry products such as tourism or trade, are more expensive in the north, and higher costs will affect competitiveness. The tourism industry is an especially important and growing industry in the Northwest Terri-

tories. It stands to be substantially hurt by the goods and services tax.

Small businesses are facing enormous GST compliance and administration costs. These businesses do not now have any sales taxes to administer, and accounting services are not available in small communities.

In summary, I can only repeat what I have said on several other occasions in this House concerning the goods and services tax proposal. The GST is unfair. It is unfair to all Canadians, but it will place a particularly heavy burden on northerners.

Whether the tax is 9 per cent or 7 per cent, northerners cannot afford this additional imposition. The proposed sales tax credit will not offset the increased costs for low income residents in the north. The government has not considered the unique northern economy, nor has it considered northern consumers in its GST design.

I urge the government again to reconsider. Scrap the GST.

[*Translation*]

Mr. Pierre H. Vincent (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the hon. member is concerned about the high cost of living in the North and the impact of the goods and services tax, the GST.

First, let me reiterate that the North, like all other regions of Canada, will benefit from the introduction of the GST. By removing federal sales tax from business inputs, the GST will have a very positive effect on capital-intensive, resource-based industries such as mining and oil and gas. These industries are important to the economy of the North and the member's region.

Overall, our analysis indicates that national economic output will expand by 1.4 per cent, or about $9 billion. The North will share in these gains; its economic output is expected to grow by about the national average, 1.4 per cent. This expansion in economic activity will benefit all Northerners by creating permanent jobs and, of course, raising real incomes.

The hon. member expressed concern about the cost of food in the North. The government recognizes the level of prices of such commodities in the North; that is why the income tax system provides benefits to residents in northern areas.

With respect to sales tax, it must be realized that under the existing federal sales tax, groceries bear some indirect sales tax imbedded in the price of the product from the beginning of the production chain. This occurs because many of the inputs used to produce food, like building materials used in processing plants, for example, are taxed. As well, the vehicles transporting the groceries to the North, loading equipment and motive fuels all currently bear federal sales tax.

In total, groceries currently bear about 1 to 2 per cent federal sales tax indirectly.

Under the GST, the sale of basic groceries will not be taxed. And, in contrast to the existing federal sales tax, the input tax credit mechanism under the GST ensures that all the indirect tax now imbedded in the price of groceries will be removed. As a result, the cost of basic groceries will be reduced by 1 or 2 per cent under the GST.

To ensure that sales tax reform is fair, a key element is the refundable GST credit paid to low-and modest-income Canadians. Credit cheques will be mailed four times a year, and the first cheques will be sent in December 1990, before the GST takes effect.

Indeed, the refundable GST credit will ensure that families earning less than $30,000 a year will actually be better off in 1991 than they are under the present system.

In summary, the GST will provide important benefits to residents of Northern Canada by improving potential economic output, creating jobs and raising income levels.

• (1920)

[*English*]

FISHERIES

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I asked my question of the minister on March 9. At the time, I was asking about trying to keep people of the area in their communities during the downturn until the aid package came.

As a supplementary question, I mentioned to the minister that we needed a new reassessment of the stocks in the Scotia—Fundy before any further steps were taken. I cannot emphasize enough that the fishermen in southwestern Nova Scotia are not convinced that the department's current stock estimates are accurate. Just ask the 50 or 60 fishermen who occupied the

Department of Fisheries office in Yarmouth last Tuesday in protest of the lack of quota for inshore draggers so far this year; ask the 500 or so people who turned out today to talk about the proposal that was given to them late on Friday in answer to their proposal. They are not happy with the assessment.

I should add that the fishermen are not alone in their suspicions about stock assessment in the Scotia—Fundy. Mr. Leslie Harris, Chairman of the government's independent review of the northern cod stock told me in committee that he also thought that the methods currently being used in the Scotia—Fundy were not good enough for such an important fishery.

I would like to tell the House and the people across Canada about the 500 people who were there this afternoon and what they were looking for. They were looking for their fair share of the natural resource outside their area.

Their history has been of year-round fishing. They have had lobster, herring, scallop and groundfish in the past. They had access to markets. In a county like Shelburne County, according to the report I had done for me, fish represents 100 per cent of the economy of Shelburne County. It represents 50 per cent of the economy of Yarmouth County and 60 per cent of the economy Digby County. Those counties have had access to those markets, have had access to the fishery for as far back as there have been settlements in those areas. At one time we had the healthiest fishery in Atlantic Canada. We don't today.

Over the last six years in this fishery, their quotes have decreased on rather bad stock evaluations. No one will say that there is not haddock. There was not haddock in the 1970s. They have seen a freezer factor ship given a licence to take pollock, which was the old stand-by fish in that area, a freezer factory ship that should be going for the underutilized species.

They have also seen what happened in the off-shore within that area. They have seen foreigners. Today, one fishermen, Joey Nickerson, said in that meeting that he had gone out for silver hake. He has a 45 foot boat. He was beside these foreigners fishing for silver hake. I think he said the foreigners had 180 per cent pollock. It was not silver hake they were fishing on Brown's.

Brown's was closed to all the local boats in that area, but he could go to Brown's if he fished silver hake. That is a 45 foot boat along side these huge foreign freezer factory ships and big trawlers fishing about 60 miles from shore.

It does not make sense to the people. It does not make sense to me. It should not make sense to the opposition. It should not make sense to the minister. What are his departmental officials telling him? Who are his departmental officials allowing to get to him? The big foreigners, the off-shore? Certainly not the inshore fishermen who have been looking for a meeting with the minister or with any other ministers concerned with the groundfish.

Along with this they have been kept from going to what we call the Easter which is above Halifax. There are people who have fished there all their lives, eight years or longer, and they are not allowed to go at this time of the year into that area.

The other day I brought up in the House that there was a silver hake box with 42 foreigners fishing there when our fishermen cannot even go there. It is right next to the closed spawning area. The same dividing line that goes with the silver hake box for the foreigners is a dividing line for the spawning pollock. The foreigners are allowed to go there and fish at this time of year, but not our own boats.

The other thing that they have been faced with over the last six years is no clear stock evaluation. I have referred to the fact that Mr. Harris has said that before.

About 10 days ago they put in a proposal to the department. After at least five years, if not longer, of talking about a mesh size with the departmental officials at least five times a year, they have come to the agreement that they should have 130-square mesh. The department sends back 140-square mesh. There is never an agreement between the departmental officials and these fishermen. There is frustration. There is going to be some hard feelings. I am sure the minister would not like to see happen the threats that were being talked about today just because his officials are not playing fair with the people.

They are asking for 25,000 pounds a trip, each week, for 40 weeks. There are approximately 250 boats that we are talking about and there are 112 licensed foreigners out there fishing within our 200-mile limit. There is also a freezer factory ship fishing within our waters, close to our coastal waters, and now the offshore.

I plead with this House that what is happening to the three counties I have mentioned should not be happening anywhere in Canada. This government is strictly looking to please an offshore that was bailed out again. The National Sea Products and the Fishery Products were bailed out again last week by being able to close those communities. Not that they left the boats; they still get the plants, but the government pays out $150 million.

We do not want that to happen in that area. We want fish. We want an evaluation of the stocks, and we want fair share of the natural resource that is at their doorstep.

Mr. Bill Kempling (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, one of the difficulties with answering these questions is that from the time that question is asked there is an add-on and we get into an area that does not cover the actual reply.

The hon. member has asked about the government's plan for addressing the problem of the Atlantic fishing industry, particularly the assistance that will be provided to communities in the Scotia-Fundy region.

The $584 million Atlantic Fisheries Adjustment Program recently announced has three major elements: rebuilding the fish stocks, assistance to adjust to the current reality of lessening employment in the fishery, and economic diversification both within and outside the fishing sector. All these elements will contribute to stabilizing and generating employment opportunities in fishing communities affected by the TAC reductions.

By placing additional resources of $150 million into the needed scientific research, data and information collection, monitoring, and enforcement, we are taking the long-term measures necessary to rebuild stocks so that employment from the fishing sector can be optimized.

Changes to the Fisheries Act will be introduced shortly. They will also enhance protection of fish stocks by strengthening statistical reporting requirements and increasing penalties for fishing and habitat offences.

As exemplified by the recent meeting with Mr. Marin of the European Economic Community, intensive diplomatic and legal initiatives are under way to address the problem of foreign overfishing outside Canada's 200-mile limit.

I am confident that all these measures, taken together, will rebuild our fish stocks so that they can once again support a viable, thriving industry.

The government and all Atlantic Canadians must face the difficult reality that the fishery cannot support all who seek employment in this area. That is why $120 million of federal contribution to the Plant Workers Adjustment Program is so important. This initiative to help plant workers and trawlermen who lose their jobs will be developed in full consultation with the provinces, the companies, and the unions. It will offer affected workers the financial means to make choices about their future.

• (1930)

The $146 million funding for economic diversification, which will augment the over $2 billion the federal government will spend on regional development in Atlantic Canada by 1993-94, has been provided to give fisheries dependent communities the leverage needed to diversify within and outside the fishery. Communities will be encouraged to look at such new opportunities as under-utilized species, aquaculture and new fish product development, while outside the fishery, development in tourism, ocean industries and other sectors will be considered.

Communities will be empowered to make their own decisions to create lasting employment. When you take into account these elements and the $158 million previously announced for short term assistance and addi

tional fisheries enforcement capacity, I think it is clear that the government is committed to the workers of the Atlantic fishery.

The Acting Speaker (Mr. Paproski): The motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 7.31 p.m.